Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

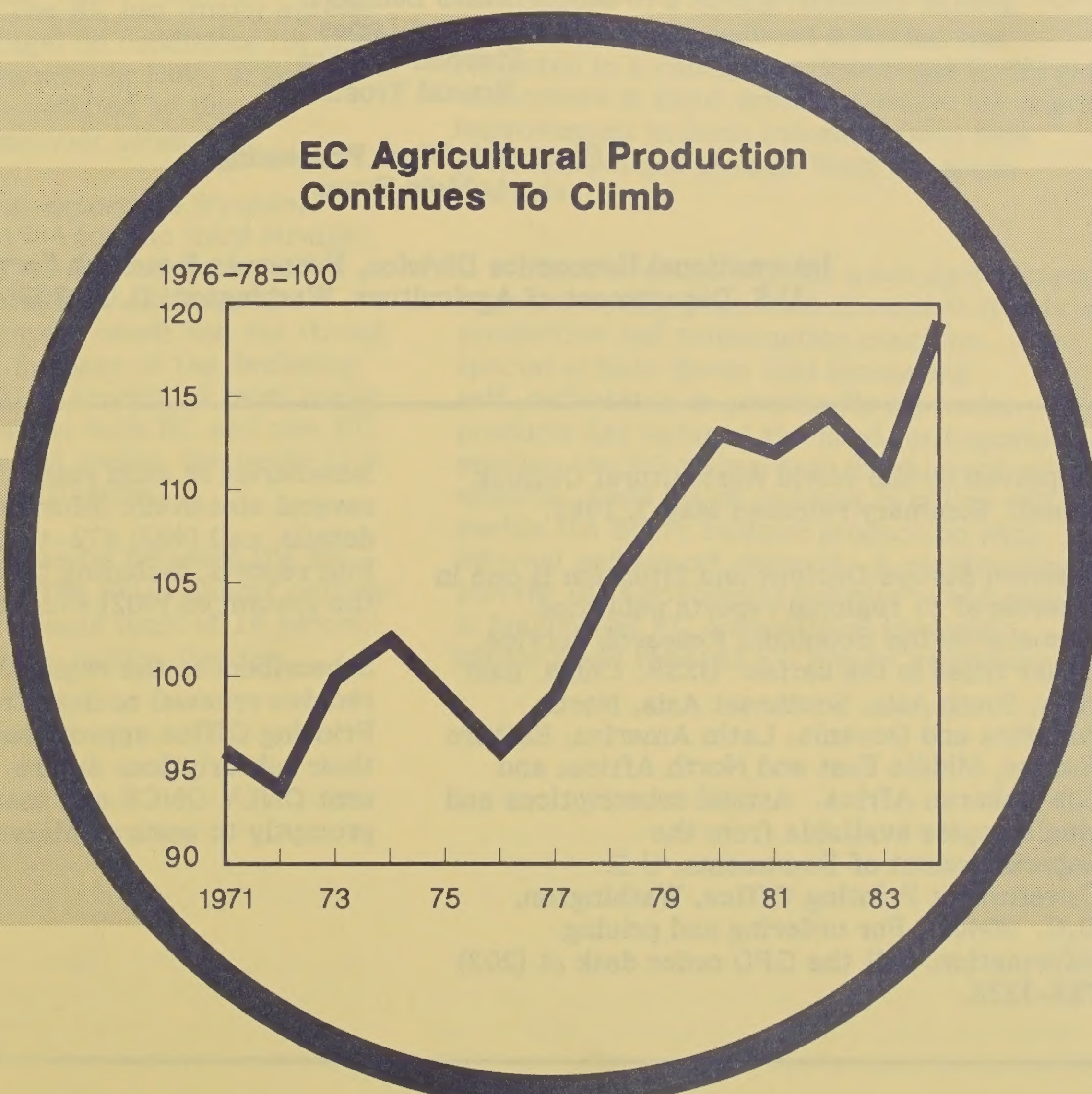
United States
Department of
Agriculture

Economic
Research
Service

RS-85-6
May 1985

Western Europe

Outlook and Situation Report



CONTENTS

Report Coordinator
Ronald Trostle (202) 447-8289

Principal Contributors
Marshall Cohen
Ruth Elleson
Jenny Gonzales (Statistical)
Miles Lambert
James Lopes
Stephen Sposato
Ronald Trostle

Electronic Word Processing
LaMoin Evans

International Economics Division, Economic Research Service
U.S. Department of Agriculture, Washington, D.C. 20250

Approved by the World Agricultural Outlook Board. Summary released May 7, 1985.

Western Europe Outlook and Situation is one in a series of 11 regional reports published annually by the Economic Research Service. Other titles in the series: USSR, China, East Asia, South Asia, Southeast Asia, North America and Oceania, Latin America, Eastern Europe, Middle East and North Africa, and Sub-Saharan Africa. Annual subscriptions and single copies available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. For ordering and pricing information, call the GPO order desk at (202) 783-3238.

Summaries of each report are available on several electronic information systems. For details, call (402) 472-1892 or (310) 588-1572. Full reports, including tables, are provided by the system on (402) 472-1892.

Subscribers to the regional report series will receive renewal notices from the Government Printing Office approximately 90 days before their subscriptions expire. Notices will be sent ONLY ONCE and should be returned promptly to ensure uninterrupted service.

SUMMARY

Western Europe's agricultural production likely will decline in 1985 from the 1984 record. Crop production probably will drop significantly. The grain harvest is forecast to be down from last year's mammoth crop, though it may still be the second largest on record. Except for milk, production of most livestock products may rise slightly.

EC agricultural policy continues to stimulate production, even when large surpluses exist. EC spending on agriculture continued to grow rapidly in 1984. For the second consecutive year, budget resources were not adequate to finance CAP programs, forcing some expenditures to be postponed until 1985. Recent decisions that weaken the milk quota system and expected increases in 1985/86 support prices will cause EC spending to continue rising. The EC has finally agreed with Spain and Portugal on conditions for their entry into the Community in 1986, although membership must be ratified by the parliaments of all member countries.

U.S. agricultural exports to Western Europe declined in 1984 for the third straight year to $8.8 billion, the lowest since 1977. Increasing agricultural self-sufficiency reduced European import needs and the strong dollar eroded the U.S. share of the declining European market. U.S. exports of most major commodities declined to both EC and non-EC countries. Oilseeds and grains, the major U.S. exports, declined significantly.

Trade conflicts persist between the EC and other exporters. The EC is almost certain to exceed its self-imposed limit of 14 percent of world wheat exports, raising further questions regarding the use of export subsidies to undercut world prices and gain an unfair market share. EC sales of 18-month- old butter to the USSR at prices below the GATT (General Agreement on Tariffs and Trade) minimum provoked objections by the United States and several other exporters. The EC initiated GATT negotiations with the United States to limit imports of corn gluten feed. The full council of the GATT has delayed adoption of a panel report ruling in favor of the United States against the EC's tariff structure for citrus imports.

Real farm income in Western Europe recovered modestly from 1983's sharp decline and the gap between farm and nonfarm incomes narrowed slightly. Good weather contributed to a strong recovery in crop production, while reduced inflation was reflected in a continuing downtrend in the rate of increase in input prices. Despite the slight improvement in farm incomes, farm debt problems persist in some West European countries.

The EC would become a net agricultural exporter by the year 2000 if current trends in production and consumption continue. The special article shows that increasing self-sufficiency in practically all major products has reduced the need for imports and enabled the EC to increase its share of world exports. Only major changes in policy will enable the EC to balance production with internal and export demand. A continuation of current EC agricultural policies would result in heightened EC competition in world markets and reduced EC import requirements.

GENERAL ECONOMIC SITUATION

Economic growth in Western Europe likely will remain steady this year. Tight fiscal policies continue to retard growth, and unemployment may rise again. On the positive side, inflation rates, as well as the region's balance of payments on the current account, are expected to improve.

General economic conditions play an important role in Western Europe's agricultural and trade situation. The lower inflation rates forecast for the region will moderate increases in farm input prices, as well as rises in retail food prices, while higher unemployment rates will discourage farmers from leaving agriculture. At the same time, the expected slow growth of demand for all goods and services, continued high unemployment rates, and a strong dollar are likely to curb the region's demand for agricultural products, particularly livestock products and imported feed ingredients. U.S. agricultural exports to Western Europe, therefore, likely will decline again this year unless the dollar weakens.

Growth Remains Flat

After 3 successive years of modest improvement, the economies of Western Europe are expected to hold steady this year. Real gross domestic product (GDP) for both Western Europe and the EC is forecast to increase 2.5 percent, according to the Organization for Economic Cooperation and Development (OECD). In 1984, real GDP increased 2.25 for both regions despite some serious production losses caused by strikes in West Germany and the United Kingdom.

Monetary policy to control inflation and limit currency depreciation, and fiscal policy to reduce or eliminate budget deficits are largely responsible for the projected short term, lackluster output performance in Western Europe. These broad policy goals, however, are beginning to include measures designed to achieve stronger economic growth in the medium term. A number of countries are taking steps to lighten tax burdens, increase incentives to expand production, and encourage the creation of new enterprises and employment. Such policies may be difficult to implement, depending on country circumstances, but the current stagnation in new jobs requires measures for structural improvement.

Growth of real gross domestic product

Country	1982	1983	1984 1/	1985 2/
	percent change from previous year			
European Community	0.6	1.1	2.25	2.5
Belgium	1.1	.4	1.75	1.75
Denmark	3.0	2.0	3.75	2.75
France	2.0	.7	1.75	2.0
Germany, West	-1.1	1.3	2.5	2.75
Greece	-.1	.3	2.25	2.25
Ireland	2.0	.6	3.25	3.5
Italy	-.4	-1.2	3.0	2.5
Luxembourg	-1.6	-1.3	.75	1.75
Netherlands	-1.6	.4	1.25	1.75
United Kingdom	2.5	3.2	2.0	3.0
Other Western Europe				
Austria	1.0	2.1	2.25	3.0
Finland	2.8	2.9	4.25	4.5
Norway	1.0	3.2	3.25	1.25
Portugal	3.5	-.1	-2.25	1.0
Spain	1.2	2.3	2.25	2.5
Sweden	.5	2.5	3.25	2.25
Switzerland	-1.1	.7	2.5	2.25

1/ Preliminary.
2/ Forecast.
Source: OECD.

Unemployment Continues To Edge Up

As the labor force in Western Europe is likely to grow faster than employment, the unemployment rate is expected to increase from 11 percent last year to a record high of 11.5 percent in 1985. By mid-1986, the unemployment rate could rise to 12 percent, nearly 5 percentage points higher than the projected U.S. rate.

Exceptions to the rising trend of unemployment this year may be West Germany and several smaller countries, including Austria, Denmark, Finland, Iceland, the Netherlands, Norway, and Switzerland, where unemployment rates are relatively low. On the other hand, unemployment may increase sharply in countries such as France and Spain, where rates are already relatively high. Differences among countries, therefore, are expected to widen further with unemployment rates ranging from less than 1 percent in Switzerland to more than 20 percent in Spain.

Rising unemployment has particularly affected those seeking to enter the labor force--young people finishing their education and women seeking to join or rejoin the labor

Western Europe's consumer prices and food prices, with expenditures for food and beverages as a percentage of private consumption expenditures

Country	Consumer prices (all items)			Food prices			Expenditures for food & beverage 1/
	1983	1984	1983 to 1984	1983	1984	1983 to 1984	1982
	1980 = 100		Percent	1980 = 100		Percent	Percent
European Community							
Belgium	126	134	6.4	126	136	7.9	22.4
Denmark	132	140	6.1	130	142	9.2	21.7
France	139	149	7.2	141	152	7.8	20.0
Germany, West	116	118	1.7	114	116	1.8	22.8
Greece	182	--	--	186	--	--	41.7
Ireland	156	169	8.3	141	154	9.2	2/ 37.9
Italy	157	174	10.8	150	163	8.7	28.6
Luxembourg	128	136	6.3	129	138	7.0	3/ 18.8
Netherlands	116	120	3.5	112	116	3.6	17.6
United Kingdom	127	133	4.7	121	129	6.6	17.5
Other Western Europe							
Austria	116	123	6.0	113	120	6.2	22.4
Iceland	422	550	30.3	372	501	34.7	4/ 25.5
Finland	133	142	6.8	136	146	7.4	25.2
Norway	137	146	6.6	144	153	6.3	24.5
Portugal	184	--	--	188	--	--	2/ 35.8
Spain	147	164	11.6	145	163	12.4	2/ 5/ 31.2
Sweden	133	143	7.5	144	161	11.8	22.0
Switzerland	116	119	2.6	121	125	3.3	5/ 27.7

-- = Not available.
1/ Percent of total private consumption expenditures excluding food and beverages purchased in hotels, as well as most institutional purchases. The comparable figure for the U.S. in 1982 was 14.4. 2/ 1981. 3/ 1980 4/ 1973. 5/ Includes tobacco.

SOURCE: OECD.

force. The excess of youth over total unemployment rates has typically been largest in countries with high unemployment.

Inflation Rate Continues To Fall

The rate of increase in consumer prices eased again in 1984, and the OECD projects some further deceleration in 1985. In the EC, prices are forecast to increase 4.2 percent this year compared with 5.1 percent in 1984. This contrasts with the peak of 11.1 percent in 1980 following the second world oil price increase. All EC countries experienced a rapid decline in inflation rates during 1980–84. Last year, food prices rose faster than the overall rate of inflation in all Western European countries except Norway and Italy.

Payment Surpluses Grow

Western Europe's current account surplus is forecast at $16.25 billion in 1985, a substantial improvement over the $8-billion surplus last year. In 1984, the surplus was smaller than expected due, in part, to adverse impacts of strikes in Germany and the United Kingdom.

Balance of payments on current accounts

Country	1982	1983	1984 1/	1985 2/
	Billion U.S. dollars			
European Community				
Belgium-Luxembourg	-2.5	-0.6	-0.5	1.0
Denmark	-2.2	-1.2	-1.75	-1.5
France	-12.1	-4.4	-.25	2.0
Germany, West	3.6	4.1	2.25	7.5
Greece	-1.9	-1.9	-2.0	-2.0
Ireland	-1.9	-1.1	-.75	-.75
Italy	-5.5	.8	-1.0	-1.75
Netherlands	3.6	3.6	4.5	5.25
United Kingdom	9.1	4.4	-1.5	-.25
Other Western Europe				
Austria	.7	.2	0	0
Finland	-.8	-1.0	-.5	-.5
Norway	.7	2.2	3.0	2.5
Portugal	-3.2	-1.6	-.5	-.75
Spain	-4.2	-2.8	1.5	2.25
Sweden	-3.6	-1.0	0	0
Switzerland	3.9	3.5	3.5	3.25

1/ Preliminary.
2/ Forecast.
Source: OECD.

The region's growing surpluses reflect the continued strength of U.S. import demand and the exceptionally strong dollar. The current account surplus of West Germany, projected at a sizable $7.5 billion this year, reflects the extremely favorable trade balance with the United States. [*Ruth Elleson (202) 447-6810*]

AGRICULTURAL PRODUCTION

Review of 1984

Western Europe's 1984 agricultural production set a record. Grain production soared well beyond previous highs, and output of sugarbeets and potatoes also rose significantly. Production of livestock products, except poultry meat, eggs, and milk, set new highs. The agricultural production index for all of Western Europe rose 7 percentage points to 119 (1976-78=100), with increases for both the EC and non-EC countries.

A Mammoth 1984 Grain Crop

Western Europe's 1984 grain production (excluding rice) totaled 190 million tons--36 million more than in the preceding year and 28 million tons above the previous record.

Indices of agricultural production 1/

Country	1980	1981	1982	1983	1984
	(1976-78 = 100)				
Total Western Europe	112	110	113	110	119
European Community	113	112	114	111	119
Belgium-Luxembourg	108	110	111	110	113
Denmark	109	110	116	110	127
France	119	117	117	111	122
Germany, West	106	105	111	105	113
Greece	112	121	116	112	117
Ireland	111	99	108	108	117
Italy	114	111	108	113	113
Netherlands	110	117	121	118	122
United Kingdom	112	111	118	117	127
Other Western Europe	110	101	111	107	119
Austria	104	99	110	107	111
Finland	103	92	103	111	110
Norway	107	109	111	110	114
Portugal	111	101	116	109	117
Spain	115	98	113	107	126
Sweden	102	106	108	103	113
Switzerland	107	108	110	110	114

1/ Only those commodities of considerable significance in their respective countries are included. Thus, these indices may differ from those calculated by the individual countries or other organizations.

All the EC countries had larger wheat and coarse grain crops except Italy. The EC harvested about 151 million tons of grain (excluding rice), as wheat output rose nearly 17 million tons to 76 million and coarse grain increased 10 million tons to 74 million. For the first time, the EC produced more wheat than the United States. EC barley production rose more than 7 million tons to 44 million, but corn output was unchanged at slightly less than 20 million.

Total EC grain area was only up marginally (0.6 percent) but average yields rose 24 percent for wheat and 19 percent for coarse grains. The weather was exceptionally favorable during the growing season. An increase in the area planted to higher yielding winter wheat varieties also was a factor.

In Other Western Europe, grain production also benefited from favorable weather. Production set a 39.3-million-ton record; 8.1 million tons more than in 1983. Spain accounted for most of the increase, as grain production rose about two-fifths from 1983's drought-reduced crop to over 19 million tons.

Most Other Crops Fared Well

Sugarbeet production recovered by about 10 million tons from the drought-reduced 1983 crop to 99.3 million tons. Production was up sharply in many EC countries, particularly the large producers. The area planted to sugarbeets increased despite excessive world sugar supplies and low world prices. In non-EC countries, production was up 4 percent. Higher sugarbeet yields more than compensated for a drop in the non-EC countries' area, particularly in Spain, the major producer.

Potato production also rebounded in 1984. Western Europe's production rose 15 percent to 43 million tons with only a marginal increase in area.

Western Europe's cotton production rose 24 percent in 1984. The area has been increasing in recent years in the two major producing countries, Greece and Spain, and yields were up slightly. Spain's cotton production more than doubled in response to

the government's increased support prices and financial assistance. Increased irrigation water in the major producing regions was a major contributor to the larger 1984 crop.

Tobacco production increased slightly, as the large increase in Greece, the major producer, more than offset the smaller Italian crop. Despite government expansion plans in Spain, the only significant producer in non-EC Western Europe, production was only up slightly because of unfavorable weather.

Western Europe's olive oil production declined nearly 10 percent from 1983. Spain's large production of 600,000 tons was partly offset by a nearly 50-percent production cut in Italy and a one-third drop in Greece, the other two major producers.

Deciduous fruit production in France and West Germany was above average and substantially above 1983 output. Italy's citrus production declined from 1983's large jump to a more normal level. Less favorable weather caused other fruit production to decline somewhat. Spain's citrus crop was down due to drought but other fruit fared well.

Western Europe's major oilseed crops (rapeseed and sunflower) rose slightly to 4.8 million tons. Increased area more than offset lower yields. Sunflowerseed now accounts for more than a third of total oilseed production. Production of both oilseeds is encouraged by the EC Common Agricultural Policy (CAP).

Livestock Production Varied

Western Europe's livestock sector turned in a mixed performance in 1984: milk production declined for the first time in many years while beef, veal, and pork output reached a record high.

After 13 consecutive year-to-year increases, EC milk production dropped slightly more than 2 percent in 1984. The turnaround was due to the EC's new policy of milk delivery quotas, which was established last year to control burgeoning dairy surpluses and support costs. Much of the reduction in milk output occurred toward the end of the year. Cow slaughter was well above 1983, and dairy cow numbers declined by 925,000 head. In addition to culling the least productive cows, producers lowered concentrate feeding rates to cut milk production. Outside the EC, total milk production continued its upward trend, with a sharp increase in Spain offsetting declines in some other countries.

Western Europe's 1984 beef and veal production rose 6.5 percent to a record 8.6 million tons. The EC accounted for all the increase as production climbed 8.1 percent to a record 7.4 million tons. The large increase in EC beef output was primarily because cattle slaughter increased 7 percent in response to the new milk quota program. In Other Western Europe, beef and veal production declined, while cattle numbers and slaughter showed little change, reflecting continued sluggish demand for beef and veal.

Pork production in Western Europe continued to trend upward to 12.4 million tons. EC production was up a fraction (0.4 percent) to 9.8 million tons. Low returns caused a decrease in farrowings, slaughter, and hog numbers, but some increase in weight raised production. Outside the EC, pork production increased slightly. Spain's output rose 5 percent, causing oversupplies and reduced pork prices.

Mutton and lamb production continued the upward trend of recent years, primarily in the EC, where output rose 0.7 percent, sustained by both price supports and expanding consumption.

Poultry meat production continued to decline in both EC and non-EC countries. Community farmers cut production in response to low prices that resulted from excessive supplies and reduced exports. Outside the EC, poultry production was down for the third consecutive year. In Spain, the largest producer, a successful industry policy of self-regulation caused a drop in production, but raised prices and discouraged consumption.

Outlook for 1985

With more average weather conditions, agricultural production in Western Europe is likely to decline somewhat in 1985. Crop production will probably decline significantly, although the grain crop is expected to remain large relative to recent years except 1984. Except for milk, production of most other livestock products is likely to be up.

Grain Production Could Be Second Best

Western Europe's 1985 grain crop is forecast to be down from last year's mammoth crop, though it may still be the second largest on record. Very high yields in 1984 have made the wheat crop particularly attractive to growers, even though market prices are down, ending stocks are record high, and there are surplus disposal problems. Farmers planted slightly more winter grains (particularly wheat) but yields are forecast to be down because of less favorable fall and winter weather. EC grain production is forecast at 139 million tons. The wheat crop is forecast at nearly 69 million tons; about 7 million less than in 1984.

In France, the EC's largest producer, the 1985 grain crop is forecast to be down about 12 percent from last year's 58.3-million-ton bumper crop. France's total grain acreage is up marginally from 9.7 million hectares in 1984, but yields are not expected to equal the 1984 record. France's wheat acreage is expected to be marginally below 1984. Also, lower yields likely will cut the crop to slightly over 28 million tons, 5 million below the 1984 record. Late sowing of winter grain due to the late harvest of sugarbeets and corn, very wet weather at sowing time, and a cold wave in early 1985 are expected to reduce grain yields in Northern Europe. However, the shift to newer high yielding varieties likely will continue. Outside the EC, wheat production is expected to be down about 1.4 million tons to 9.4 million because of more normal yields and a slight drop in area planted.

EC coarse grain production is forecast at about 70 million tons, 4 to 5 million below the large 1984 crop. Much of the drop is expected to be in barley because of a decline in area planted and lower yields. Increased area and higher yields are forecast to raise 1985 corn production about 4 million tons to nearly 21 million.

Grain production in the non-EC countries is expected to be down 3 million tons from last year's exceptionally high 39.3 million. In Spain, the major producer, grain output is likely to drop about 10 percent from the 1984 record of 19 million tons. Planting conditions generally were favorable during fall seeding, and fall rains gave the grain a good start. However, yields are likely to decline from last year's record to more normal levels. Increased plantings on irrigated land could push Spain's corn crop to a record of nearly 3 million tons.

Livestock Production Mixed

Beef and veal production in 1985 is not expected to change much in the EC, where continued cow cullings will probably keep output near the 1984 record of about 7.4 million tons. In the non-EC countries, continued sluggish demand will mean limited increases in beef and veal production.

Pork production will probably rise again in 1985, with much of the increase occurring in the Community. EC hog numbers declined slightly in 1984, as excessive pork supplies reduced prices and high feed costs discouraged producers. However, EC hog inventories are expected to build due to lower feed costs resulting from the large grain crop and improved pork prices in some countries. EC pork production is forecast to reach 9.9 million tons, about 1 percent above 1984. Outside the EC, production also is expected to increase slightly. In Spain, the major producer, lower feed costs probably will boost output further.

The 1985 outlook for milk is for EC production to continue dropping to 107 million tons, about 2 percent below 1984 and 4 percent below the 1983 record. Production cutbacks will be needed to comply with the lower 1985/86 delivery quota of 98.4 million tons, compared with 99.4 million in 1984/85. Cow cullings are expected to continue, but at a slower pace. Low concentrate feeding rates may also reduce output per cow. In the non-EC countries, higher yields from improved breeds will sustain the upward trend in milk production.

Poultry meat and egg production are expected to recover slightly in 1985 because of improved feed and product price relationships. However, lagging demand and weak exports, mainly in the EC, are likely to limit Western Europe's overall increase to less than 2 percent for poultry meat and only a fractional gain for eggs. [*James Lopes, (202) 447-8289*]

AGRICULTURAL TRADE

U.S. exports to Western Europe declined for the third straight year to $8.8 billion in 1984, 12 percent below the $10 billion exported the previous year, and the lowest value since 1977. Exports declined to both EC and non-EC countries and for most major commodities. Oilseeds and grains, the major U.S. exports, both declined substantially because of the stronger dollar, increasing EC self-sufficiency, and the end of several years of drought in the Iberian peninsula. Exports of tobacco and cotton, which are grown in only small quantities in Western Europe, increased moderately. The absence of Soviet cotton exports, and an increasing preference for U.S. tobacco blends helped U.S. sales of these products. The strong dollar hurt U.S. sales of all products and eroded the U.S. market share. Increasing volatility of the dollar exchange rate also caused much uncertainty in foreign exchange markets. The greater volatility implies increased risks for foreign transactions and may have contributed to declining sales.

Western Europe's agricultural trade in 1984 appears to have benefited from another year of increasing self-sufficiency in temperate-zone products. The agricultural trade deficit--$16.5 billion in 1983 for the EC alone--did not decline much, however, as the modest economic recovery led to larger imports of tropical products. European delays in reporting 1984 data prevent a more detailed account of the 1984 agricultural trade balance.

Oilseed Imports Decline

For the first time since the introduction of the Common Agricultural Policy (CAP) in the EC, oilseed imports and use have failed to respond to lower world prices in 1984/85. During the 1970's, imports increased regularly as the EC expanded and member countries adopted the high internal grain prices of the CAP. Beginning in the 1980's, when total oilmeals accounted for approximately 18 percent of all concentrate feeds and soybean meal accounted for 12 percent, a period of saturation set in. Meal imports and use

Selected U.S. agricultural exports to Western Europe 1/

Commodity 2/	Quantity			Value		
	1982	1983	1984	1982	1983	1984
	1,000 metric tons			Million dollars		
Live animals	-	-	-	136.3	200.1	152.3
Meat 3/	146	130	111	217.3	163.1	145.1
Wheat	3,380	2,029	2,389	550.8	327.3	378.7
Rice	462	418	514	161.3	148.2	166.7
Feed grains	14,235	10,249	7,872	1,810.5	1,371.0	1,082.0
Barley	548	303	186	61.8	38.1	21.8
Corn	14,580	9,654	7,157	1,640.4	1,294.8	997.4
Oats	3	4	0	.4	.6	0
Sorghum	928	286	516	107.9	37.4	61.7
Fresh fruit	145	186	106	88.1	99.0	57.8
Dried fruit	59	56	58	93.1	83.9	84.1
Nuts & preparations	-	-	-	307.1	277.2	346.4
Vegetables 4/	242	186	163	132.2	82.0	84.1
Soybeans	15,814	12,040	9,372	3,854.5	3,122.0	2,507.6
Other oilseeds	-	-	-	218.5	152.6	338.2
Soybean oilcake & meal	4,091	4,172	1,847	911.8	953.5	400.2
Other feeds 5/	-	-	-	710.8	897.4	801.8
Tobacco	130	131	136	754.4	788.8	826.7
Cotton, raw & linters 6/	208	204	289	271.4	286.8	461.6
Inedible tallow	367	260	195	147.3	99.8	92.3
Subtotal	-	-	-	10,365.4	9,052.7	7,925.6
Other commodities	-	-	-	1,092.0	946.0	911.1
Total Western Europe	-	-	-	11,463.4	9,998.7	8,836.7

- = Not applicable. 1/ Data adjusted for transshipments through Canada. 2/ Categories conform to Schedule B codes, Bureau of the Census. 3/ Fresh and frozen. 4/ Fresh, frozen, and dried. 5/ Excluding oilmeals. 6/ 1 metric ton = 4.59 bales.
Source: Compiled from U.S. Bureau of Census data.

became more sensitive to changes in world prices and price relationships with domestic grains and other feedstuffs.

The 1984/85 marketing year, however, marks the second straight year of decline in oilmeal feeding in the EC and the first in a situation of declining world prices. The exceedingly large 1984 EC grain crop and the insufficiency of market support mechanisms have allowed internal grain prices to decline, increasing their competitiveness with imported oilmeals. Increased EC production of rapeseed, sunflowerseed, and the newly emphasized pulses have raised domestic supplies of oilmeals and protein supplements. Milk production quotas likely reduced total meal demand between 400,000 and 900,000 tons in 1984/85. Modest growth in the pork and poultry sectors also have served to moderate feed demand.

The strong dollar has hurt the U.S. market share, causing the decline in U.S. exports, primarily soybeans, to be substantially greater than that for other suppliers. The share of soybean imports relative to other oilseeds has also declined. Between October 1984 and February 1985, EC imports of U.S. soybean meal totaled 692,000 tons, only 43 percent of the previous year's 1.7 million. Soybean exports showed a smaller decline, dropping to 4 million tons from 4.2 million during October 1983-February 1984. Emphasis on soybean meal exports by Brazil and Argentina, our principal competitors, is the primary reason for the sharper decline in meal exports. In addition, increased crushing margins, due to higher world vegetable oil prices, have caused soybean exports to displace meal in a declining market.

Developments in Spain and Portugal, the principal importers in non-EC Western Europe, have differed somewhat. U.S. exports, almost exclusively soybeans to Spain, declined sharply from 1.1 million tons a year earlier to 915,000 tons during October 1984-February 1985. A much increased grain crop, after several years of drought, is the principal reason. U.S. soybean exports to Portugal rose to 415,000 tons from last year's 313,000. The dismantling of Portugal's state monopoly for grains and oilseeds in preparation for EC entry is the principal reason.

Entry of Spain and Portugal into the EC, tentatively set for January 1, 1986, could significantly affect their trade in oilseeds. Higher EC support prices for sunflowerseed, rapeseed, and soybeans could increase production, but higher EC market prices for feed grains will make imported oilmeal more competitive. Combined with the elimination of Spanish import levies on oilseed meals, quotas on domestic soybean oil use, and the dismantling of state monopoly trading (already partially accomplished in Portugal), the net effect of Spanish and Portuguese entry into the EC could be a moderate increase in U.S. oilseed and meal exports to the region. While the effects of liberalizing state trading monoplies will be felt immediately, the more liberal EC oilseed regime will be phased in gradually over several years.

A consumption tax on oils and fats (excluding butter) has been debated in the EC for a considerable time. Such a tax, promoted as a way to help pay for the increased costs of enlargement, could negate the import-enhancing effects of the more liberal EC oilseeds regime and is opposed by the United States.

Forecast Rise in EC Cereal Exports

EC grain exports are forecast to reach a record 24.1 million tons in 1984/85, almost 5 million more than the previous year. Export licenses through the first 7 months of the marketing year, however, were slightly behind last year's pace for wheat (6.8 million tons versus 6.9), while barley licenses (4.3 million tons vs. 1.6) increased a substantial 2.7 million tons. Wheat flour export licenses increased slightly to 1.8 million tons from 1.7 million. The pace of exports will need to improve if the EC is to reduce this year's record stocks in time for the 1985 harvest. Storage capacity will be severely strained if exports fail to surpass 1983/84 levels.

EC wheat exports began the year apace with strong purchases by the Soviet Union and Poland, while the French regained preeminence in the Egyptian wheat-flour markets after a year of absence due to U.S. sales. The sales pace slackened in November, however, as the EC Commission, hoping the strong U.S. dollar would alleviate the need for export subsidies, lowered its subsidy rate for

export tender offers. This move coincided with the reduction of Argentina's export taxes and the consequent lowering of Argentine wheat prices below those of other exporters. Traders abstained from offering EC wheat for export at the uncompetitive prices the Commission was willing to subsidize. The situation began to improve in February as the Commission became more realistic about the rate of subsidy needed and raised export subsidies for wheat to about $15-18 per ton from the $7-11 rate offered previously. Even at these levels, the EC will have difficulty increasing wheat exports to an oversupplied world market and the Commission will face the alternative of raising its subsidy level once again or funding the growth of cereal stocks to cumbersome levels.

Cereal imports are forecast to decline for the fifth straight year to 5.8 million tons from 9.2 million in 1983/84, less than one-fourth the level 10 years ago. Import licenses for the first 7 months of the marketing year have declined sharply for both wheat (1.7 million tons vs. 2.0) and corn (2.0 million tons vs. 3.3), the principal cereal imports. U.S. exports of both grains to the Community have fallen off. Wheat exports dropped to 807,000 tons for July 1984-February 1985, compared with 1.3 million the previous year, while corn exports of 845,000 tons (October-February) were 54 percent below the 1.8 million tons exported the previous year. U.S. exports appear to have declined more sharply than total EC imports, judging by the number of import licenses issued. If the number of import licenses actually used remains proportional to 1983/84, a sharp decline in U.S. market share is implied. The strong dollar and increasing EC production of wheat gluten, which replaces high-protein wheat, are the principal reasons. Increased volatility of the dollar exchange rate, and the suspension by the EC of the pre-fixation of cereal import levies, have also hurt U.S. exports by contributing to price uncertainity.

U.S. wheat exports to non-EC Western Europe declined to 621,000 tons during July 1984-February 1985, compared with 688,000 the previous year, while corn fell from 2.5 million tons to 1.8 million. Declines to both Spain and Portugal, the region's principal importers, are the major cause of lagging U.S. exports to the region. Both countries experienced improved harvests and will reduce total imports. The U.S. market share could suffer as well, due to the strong dollar and the highly developed trade relations that both Spain and Portugal have with the Latin American countries.

The long term outlook for Western Europe's cereal trade indicates increasingly large supplies for export. The entry of Spain and Portugal into the EC will give other EC countries a trade advantage on these markets. Continued surplus production for traditional markets, as well as some growth in exports, seem promised by the expanding production and market promotion undertaken by the Europeans. A lower dollar could slow this development.

Trade Problems Persist

The EC is likely to again exceed a self-imposed limit of 14 percent of world wheat exports this year, raising further questions as to whether its export subsidies for cereals meet the dual criterion of the General Agreement on Tariffs and Trade (GATT) that such subsidies should not permit the subsidizing party to obtain an inequitable market share nor should they undercut world prices. Agricultural subsidies that comply with these standards are allowed under the "subsidies code" of the GATT treaty (Articles 6, 16, and 23). Both the United States and EC are members of the GATT, along with over 90 other industrialized and developing countries, and are bound to comply with its regulations on trade. The United States, asserting that export subsidies are protectionist in nature and hinder trade, has sought to renegotiate the subsidy code of the treaty as it affects agriculture. The EC maintains that agriculture is heavily protected in all countries and that total elimination of subsidies is infeasible. At best, the EC feels an improvement is negotiable, whereby the somewhat vague provisions of the code would be made more specific and easier to adjudicate.

Because of a dispute within the International Dairy Council, also convened under the GATT, the United States and Austria have decided to withdraw from the 18-nation agreement. The agreement fixes a minimum price for dairy products traded internationally. The EC was cited in

November 1984 for breech of the agreement by its sale of 18-month-old butter to the Soviet Union at prices substantially below the GATT minimum. The decision to withdraw reflects the U.S. desire to promote free trade and avoid market sharing arrangements. The United States is only a minor exporter of dairy products and U.S. internal prices are protected by tariffs and quotas on imported dairy products.

The EC Commission has opened consultations with the United States under Article 28 of the GATT to limit imports of corn gluten feed. The GATT obliges parties seeking to annul binding tariff concessions, as the one on corn gluten feed, to open consultations with the trading partner concerned, and to offer appropriate compensation. The United States considers the attempted EC measures to be protectionist, economically unjustified, and consequently harmful.

In an attempted resolution of a 1982 U.S. complaint against the preferential treatment that the EC accords Mediterranean citrus imports, a GATT panel ruled favorably for the United States concerning fresh orange and lemon imports. The panel recommended that the EC change its tariff structure and facilitate access of U.S. produce. The EC has indicated that the report will be blocked in the full council of the GATT, however, ostensibly because of the sensitiveness of the citrus trade to several of its members and its implication for developing countries.

The American Grape Growers Alliance for Fair Trade petitioned the U.S. International Trade Commission (ITC) in January 1984 for countervailing duties against perceived unfair competition from EC wine imports. The ITC ruled against the petitions because, under U.S. law, the grape growers had no standing under the prevailing definition of the wine industry for tariff purposes. To remedy this, Congress passed the "Wine Equity and Export Expansion Act of 1984" as part of the Trade and Tariff Act of 1984 (P.L. 98-573), signed October 30, 1984. The Act may facilitate similar petitions for a 2-year period. The EC is requesting a GATT panel to consider the conformity of this new U.S. wine legislation with the GATT subsidies code.

Under the 1930 Tariff Act, which allows nonbinding investigations, the National Pork Producer's Council has requested that the ITC investigate the impact of EC pork exports on the U.S. industry. A further countervailing duty complaint remains a course of action open to the pork producers and can result in binding action against EC pork if the ITC and Department of Commerce decide favorably for U.S. producers.

U.S. laws protect domestic producers from unfair competition by foreign producers. They can in no way ensure open and fair trading practices in international markets. To protect international trade from unfair practices, the U.S. has entered into the agreements which constitute the GATT.

The difficulty of obtaining clear judgments from GATT in complex trade matters, the fact that political interests are often closely involved in their adjudication, and the reluctance of the participating parties to impose economic sanctions, have all conspired to make the GATT a frustrating forum for resolving trade disputes. The GATT remains, nevertheless, the prime framework in international law for obtaining and maintaining a structure for open and fair trade practices. [*Stephen Sposato, (202) 447-8289*]

FARM INCOME AND PRICES

Farm Income Recovers

Farm income in most West European countries recovered modestly in 1984 from 1983's sharp decline. The recovery in real farm income, estimated up 3.8 percent in the European Community, injected some optimism among farmers that an uptrend in farm income that began in 1980, but was interrupted in 1983, may continue. Net farm income also improved in several countries of Other Western Europe. Although the gap between incomes in the farm and nonfarm sectors narrowed in 1984, it remains relatively wide.

The improvement in farm incomes in 1984 was largely due to better weather than in 1983, which contributed to a strong recovery in the production of grains, oilseeds, and other field crops. Reduced inflation was reflected in a continuing downtrend in the rate of increase in input prices.

Changes in EC Real Farm Income and GDP

Much of the improvement in EC farm income was due to the record grain harvest. Although the market prices for grain were relatively weak and below intervention prices towards the end of the year, a high volume of production was marketed. Producer prices increased an average of 8.5 percent for all crop products, compared with a 4.2-percent rise in producer prices for animal products. A poor harvest in the USSR provided an important outlet for the large EC grain surplus.

In 1984, agricultural input prices in the EC rose an average of 7.6 percent, more than the overall 5.6-percent rise in producer prices. There is considerable variation between countries in both categories. Greece, Denmark, and the Netherlands were the only EC countries where producer prices rose faster in 1984 than in 1983. Input prices rose less in 1984 than the previous year in all countries except Denmark and West Germany. Both producer and input prices rose rapidly in Greece and Italy, where inflation rates of 18 percent and 10 percent, respectively, were far above the 4.7-percent average for the Community. Factors contributing to the rise in input prices included the strong U.S. dollar, which pushed up prices of some raw materials (including nonlevy feeds, notably soybeans), as well as higher prices for agricultural machinery and buildings.

In addition to large crops, the new EC dairy quota policy (see production section) had

Rate of change in agricultural input prices in the European Community

Country	1980	1981	1982	1983	1984 1/
	Percent change from year earlier				
Belgium	8.0	8.8	10.9	8.5	6.2
Denmark	16.1	17.8	11.3	5.8	8.1
France	14.8	13.1	12.0	9.7	9.5
Germany, West	6.8	9.9	3.7	0.5	3.6
Greece	34.6	23.3	14.3	22.2	14.5
Ireland	14.5	14.8	9.1	10.1	6.4
Italy	14.5	16.9	14.3	12.1	10.7
Luxembourg	8.8	9.6	9.4	9.2	7.1
Netherlands	7.6	8.7	3.6	3.5	3.1
United Kingdom	14.5	14.8	7.4	6.4	4.8
Total EC-10	12.5	12.8	9.8	7.9	7.6

1/ Estimated.
Source: The Agricultural Situation in the Community, 1984 Report, European Community, January 1984.

Rate of change in agricultural producer prices in the European Community

Country	1980	1981	1982	1983	1984 1/
	Percent change from year earlier				
Belgium	3.1	9.5	11.4	8.0	2.7
Denmark	11.0	11.3	11.5	4.9	7.0
France	5.6	11.1	11.7	8.9	5.1
Germany, West	2.4	5.6	2.6	-1.2	-1.4
Greece	22.2	23.4	23.7	17.2	19.3
Ireland	-2.3	18.6	8.1	6.5	3.5
Italy	13.4	12.1	16.0	9.6	6.8
Luxembourg	4.5	5.6	17.7	8.0	0.4
Netherlands	4.1	8.5	2.4	1.9	2.5
United Kingdom	5.6	10.7	6.7	5.6	1.6
Total EC-10	7.9	11.4	11.3	7.6	5.6

1/ Estimated.
Source: The Agricultural Situation in the Community, 1984 Report, European Community, January 1984.

a positive influence on farm incomes. Farmers' efforts to reduce dairy input costs appear to have more than offset lower sales. Some farmers also realized higher incomes from the sale of dairy cows they culled in order to lower milk production and deliveries to quota levels.

British farmers, particularly livestock producers, had been experiencing cost-price pressures since the United Kingdom joined the EC in 1973. Although a 21-percent leap in real net farm income represented a recovery from the 17-percent decline in 1983, net income remained below 1982. The 1984 upturn was due to increased crop output and improved profitability in the hog and poultry sectors. However, on the input side, total feeding declined, primarily reflecting implementation

of the new EC dairy quota laws, which also resulted in reduced purchases of replacement animals by dairy producers.

Member countries of the European Free Trade Association (EFTA) do not enjoy a supranational price and income support apparatus similar to that in the European Community. However, similar national policies as those in the EC sustain farm prices and income at relatively high levels in Norway, Sweden, and Finland. Farmers in these countries benefit from regularly negotiated increases in guaranteed prices, protecting them against inflation. Also, farmer-owned forests are an important income resource in these countries.

Finland's farm income increased an estimated 12 percent in 1984. Overproduction remains a serious problem for Finland's farmers, since their Farm Incomes Act limits the public cost of exporting surpluses. Similarly, in Sweden, where net farm income advanced 3.6 percent in 1984, the Government is trying to modify the agricultural support system to reduce surpluses and bring a better supply-demand balance in agriculture. The disposal of large livestock product surpluses is entirely financed by farmers. In 1984, Sweden marketed record levels of wheat, barley, and oats to the USSR. Swedish farmers also benefited from an unexpected demand for 350,000 tons of oats from the United States.

Farm Debt Problem Persists

Despite the modest improvement in farm incomes, a substantial farm debt problem exists in some EC countries. For example, farm income in West Germany recovered from 1983's devastating 18-percent decline and likely rose at least 3 percent in 1984. However, about 10 percent of West Germany's farmers face serious solvency problems due to high debts. Most have benefited from Government programs to ease financial strain. The programs include reductions in the value-added tax, and a number of investment subsidy programs, which currently are being phased out.

Largely due to heavy interest payment burdens, serious solvency problems have affected Danish farmers since 1980, and bankruptcy rates have been unusually high in recent years. Calculations by the EC Commission indicate that in Denmark--likely the most extreme case in the EC--farm debt was about 89 percent of operating capital in 1983 and interest payments were more than 20 percent of total costs.

Government relief to Danish farmers in the form of interest subsidies on debt conversion loans has provided some relief since 1980. Nevertheless, farmers have responded to the farm income crunch by relying on off-farm earnings for an increasing share of their total income.

Real income to Italian producers grew more slowly than inflation in 1984--partly reflecting higher debt repayment and relatively high interest rates, as well as stagnant producer prices and generally lower demand for foodstuffs.

Farm income in France increased marginally as real gross income per farm rose only 1.5 percent. The slight improvement was largely due to heavy grain sales and revenues received from the culling of dairy cows. Farm debt remains at relatively high levels. Government-subsidized agricultural credit programs were budgeted at around 15 billion francs ($1.8 billion). Financial relief programs are largely targeted for investment and structural improvements---and especially for new, young farmers.

Significant Income Disparities Among Farmers

A recent report by the EC Commission analyzes income disparities among member countries by region, economic size, and type of farming. According to the report, the Netherlands, Denmark, the United Kingdom, and Belgium earned the highest farm incomes in the EC in recent years, while Italy and Greece were lower on the scale. The income of the strongest "average" farmers in the Netherlands was more than five times that of the "average" weakest farmer in Greece.

The larger, more specialized farms had the highest average incomes, with crop producers outpacing livestock farmers. For specific countries and commodities, the highest income earners were crop producers in Belgium, the Netherlands, France, the United

Kingdom, and Denmark; dairy farmers in the Netherlands and Denmark; fruit growers in the United Kingdom; and producers of horticultural crops in the Netherlands and Belgium. [*Marshall H. Cohen, (202) 447-8289*]

AGRICULTURAL POLICY

In 1984, the EC was unable to fully finance CAP programs and some expenditures were postponed until 1985. The overrun occurred in spite of measures aimed at restraining spending in agriculture, which accounts for two-thirds of the EC's total budget. In April 1984, the EC Council of Agricultural Ministers decided to let support prices decline an average of 0.5 percent in terms of European Currency Units (ECU's). The price reduction was largely illusory, however, because the ECU also was revalued by 3.3 percent, increasing common prices in terms of all national currencies. To restrain production and expenditures in the dairy sector (which accounts for about 30 percent of the EC's agricultural budget), a system of milk delivery quotas coupled with a "superlevy" (overproduction penalty) also was introduced in April 1984. Delivery quotas were based on 1981 levels, nearly 5 percent below 1983 deliveries, but with EC self-sufficiency in milk at 124 percent in 1983, large costs were still incurred for the dairy sector in 1984.

EC spending on agriculture continued to grow rapidly in 1984, despite the postponement of some expenditures. The cost of the European Agricultural Guidance and Guarantee Fund (EAGGF), the fund that finances the CAP, rose 17 percent above 1983, compared with a 23-percent increase the previous year. At the same time, EC revenues increased only a modest 6 percent. As a consequence of those developments, the EC budget overrun in 1984 amounted to about $0.5 billion. Since the EC is not permitted to borrow to finance a budgetary deficit, intergovernmental loans from member governments were arranged. Also, some advance payments on export subsidies were suspended. The EC also held down the per-ton rate of export subsidies for wheat in order to encourage storage, in large part because storage costs can be postponed, although storage is ultimately more expensive. The Commission also tightened rules for intervention purchasing in several sectors, reducing prices and expenditures, particularly in the grain sector.

Delay in Price Agreement

Since over 95 percent of EAGGF expenditures goes to its "guarantee section," which pays for export refunds and market intervention to support EC farm prices, the level of support prices is a key determinant of budgetary equilibrium. The budget deficit and the prospect of a decline in the value of the U.S. dollar relative to the ECU (which would increase EC export subsidies) led the EC Commission to propose an average farm price decline of 0.3 percent in terms of ECU's for 1985. Most proposals for specific commodities called for price support decreases or no change. In terms of national currencies, a token increase of 0.1 percent would result.

Strong forces for price increases prevented a larger decline than the Commission put forward. National self-interest (which on balance has always favored positive price changes), was stirred up by the protracted EC expansion negotiations, which brought a number of unresolved commodity issues to a head. Also, national agricultural ministries desired to firm up their CAP reform positions following inauguration of the new EC Commission. West Germany was particularly adamant, so the Council effectively put off a decision until after May elections there. While the Council might approve an increase in average farm prices higher than that proposed by the Commission, it is not likely to approach the 3.5 percent recommended by the European Parliament (EP), let alone the 4.5 percent proposed by the EP's Agricultural Committee, or the 5.5 percent sought by COPA (the organization of European farmers).

CAP Reform Hiatus?

The 1985 price negotiations seemed to reflect a slowdown in CAP reform initiative. The Commission proposed a 1.5-percent increase in the target price for milk, together with a 1-percentage point reduction in the co-responsibility levy. The step was justified as partial compensation to dairy farmers for the 1-percent fall in the milk delivery quota for 1985/86 (a move opposed by West Germany

and the Netherlands). But in late February, the Council weakened the effectiveness of the quota/levy system for dairy, by placing the basis for collection of the levy in 1984/85 at the national level, rather than the level of individual farms or processing plants as originally provided for in 1984. That followed months of stalling on implementation of the system in some countries (notably Italy).

Under the 1984/85 rule, if national production does not exceed the national quota, no levy will be collected. If that system is continued, the intended purpose of the quota will be undercut. Together with other planned amendments, mainly involving more flexibility for quota transferal among producers, each EC country would likely produce milk to the limit of its levy-free quota, which is contrary to the original goal of bringing production below quota levels.

In 1984, the Council approved a 1-percent decline in the intervention price (in ECU's) for all grains except rice and durum wheat. Because of the large 1984 crop, the Commission proposed imposing the maximum production threshold penalty of 5 percent in 1985 while raising average overall grain prices 1.5 percent, for a net reduction of 3.5 percent. Furthermore, the Commission argued for durum wheat to be included in the overall production threshold of 126 million tons for grain, thus reducing the threshold for other grains to 121.4 million tons.

The majority of EC members opposed the Commission recommendations on grains. Opposition this year may have been a matter of timing. Italy and Greece objected because of the likelihood that 1985 durum production would surpass its threshold and incur a substantial penalty. West Germany strongly opposed the Commission recommendations. As the principal net contributor to the EC budget, Germany has been a major advocate of control of CAP spending. Germany also has been a principal advocate of high prices because its farms are relatively small and its farmers have high income expectations. West Germany favors stricter quality standards for breadwheat intervention because it considers that it would be a beneficiary. But without a quality-tier pricing system in place, price reductions sound ominous to West Germany's grain farmers this year.

West Germany argued that grain farmers' income would be reduced disproportionately by the Commission's proposed prices. This would be the case because the agreements reached among EC member countries in 1984 call for a reduction this year in the positive monetary compensatory amounts (MCA's) applied to the West German mark. This adjustment in the MCA's would result in reduced prices and lower incomes for German farmers unless some offsetting compensation is arranged. Positive or negative MCA's are applied to national currencies in intra-EC farm trade to avoid or minimize trade distortions that would occur because of exchange rate fluctuations.

The EC is committed to eliminating positive MCA's by 1987/88. Bringing the mark, the EC's strongest currency, down to a zero MCA is central to the plan to eliminate MCA's. A 1985 MCA decline for the mark would in effect mean that West German grain prices would have to decline further by the amount of the MCA reduction to be competitive with other EC grain on the West German market. In contrast, France, which produces one-third of EC grain, was uncharacteristically quiet on the grain price issue because a devaluation of the "green franc" (the national currency as calculated for agricultural purposes) was sure to nullify the negative effect of an ECU price decrease. Hoping that West Germany would agree to an earlier-than-scheduled implementation of the agreed 1.4-percent increase in the value-added tax (VAT) for 1986, aimed at budgetary equilibrium, the Council was under considerable pressure to accommodate West Germany on grain prices.

Accession Snags

West Germany, the largest contributor to the EC budget, had refused to agree to the 1986 VAT increase, pending assurance that Spain and Portugal would accede to the EC on January 1, 1986. The original German concern was that added revenue would be used to fund an expanded EC, and possibly farm income support throughout the EC, rather than channeled entirely into support of current troublesome commodities in the northern EC countries. The EC finally agreed with Spain and Portugal on accession conditions, but EC membership for the two countries must be ratified by the parliaments of all the countries.

The United Kingdom withdrew its opposition to the VAT increase after reaching agreement in June 1984 on the long-standing issue of the rebate it receives because of its disproportionately high VAT contribution.

The "Mediterranean commodity" sectors (notably fruits and vegetables, wine, and olive oil) should benefit from the VAT increase, especially when coupled with the Integrated Mediterranean Program (IMP) formulated by the EC. However, these sectors must also be restrained in the interest of the EC budget. That implies considerable competition between present and prospective southern EC countries, where Spain and Portugal may have a cost advantage. Italy and Greece consequently have been seeking various safeguards, thus drawing out accession negotiations. Accommodation was achieved by extending the transition period for Spain and Portugal in certain commodity sectors (up to 10 years), and by postponing some matters until after accession. Still, first Greece and then France threatened to sabotage talks because of concerns in the wine sector. Payments to Greece in implementation of the IMP, and French agreement regarding the level of production at which distillation of Spanish wine would be triggered, at last removed agricultural obstacles to accession.

Even with farm issues cleared, fishing stood in the way of timely accession because of the impact of Spain's large fishing fleet on the EC. The importance of fishing was pointed up in the matter of the EC's first contraction in size, through the loss of Greenland on February 1, 1985. The Danish possession (under home rule) opted to become associated with the EC as an overseas territory, in large part over the matter of fishing rights in its waters. Greenland will now be subject to the rules governing farm trade with non-EC countries. [*Miles Lambert, (202) 447-8289*]

EC AGRICULTURE: CHANGING IMPACT ON WORLD MARKETS

Ronald Trostle
Agricultural Economist
Economics Research Service

Abstract: The European Community's agricultural trade deficit is expected to continue declining. Increasing self-sufficiency is producing additional exportable surpluses of a wide variety of products and lowering import needs of others. Unless the EC modifies its agricultural policy, its share of world exports will rise and its imports, including those from the United States, will decline further.

Keywords: European Community, agricultural production, agricultural trade, agricultural policy.

The 10-country region of the EC has been a net importer of agricultural products throughout this century. However, since the Common Agricultural Policy (CAP) was established about 20 years ago, agricultural production has risen faster than consumption and the EC has become increasingly self-sufficient in agriculture. As a result, agricultural exports have increased faster than imports and the EC's negative trade balance has declined. The EC has raised its share of global exports and reduced its share of imports. Extrapolation of current trends suggests the EC will become a net exporter of farm products before the year 2000. This would mean even further erosion of U.S. exports to the region and increasing EC competition in world export markets. Only fundamental changes in the CAP will change the trends.

Increasing Self-Sufficiency and Surpluses

Self-sufficiency, defined as production divided by consumption, is a commonly used concept in the EC. It is used to measure progress in reducing food deficits, one of the primary goals of the CAP. The table below shows that during the last 15 years, self-sufficiency has increased for practically all agricultural products.

In the case of wheat, coarse grains, wine, beef, butter, and cheese, the EC has shifted from a deficit to surplus position. For many of these products, plus poultry meat and eggs, the EC now produces large surpluses and is a major exporter. Although large deficits remain in some commodities such as fresh fruit, sheep and goat meat, and fats and oils, self-sufficiency has steadily increased in these products as well.

Increasing self-sufficiency has had a dramatic effect on the deficit/surplus position for some products. Fifteen years ago, average EC deficits for wheat, coarse grain, and beef amounted to 3.8, 13.0, and 0.5 million tons, respectively. Currently, EC surpluses of these commodities amount to 15, 1.5, and .6 million tons.

EC degree of self-sufficiency, selected products
Three-year averages 1/

Item	1969	1973	1979	1983
Wheat	90	104	118	131
Coarse grains	81	83	89	4/ 99
Sugar	82	91	124	2/ 132
Potatoes		101	101	102
Vegetables (fresh)	100	95	98	--
Fresh fruit (excl. citrus)	80	82	83	--
Wine	97	99	105	2/ 115
Beef & veal	91	92	102	105
Pork	100	101	101	102
Poultry meat	101	102	108	110
Sheep & goat meat	56	66	67	77
Total meat (excl. offal)	93	96	98	104
Eggs	100	99	101	107
Nonfat dry milk	140	143	116	120
Butter	91	98	118	135
Cheese	98	103	106	109
Total milk and dairy products 3/	96	103	115	125
Total fats and oils	--	75	81	--

-- = Not available.
1/ Years indicate middle year of a 3-year average.
2/ Average of 1981 and 1982 only.
3/ Whole milk equivalent, fat solid basis.
4/ Exceeded 100 percent self-sufficiency in 1984.

The self-sufficiency concept can be applied to the overall agricultural sector by dividing the value of total production by the value of consumption. Figure 1 shows the significant increase in overall agricultural self-sufficiency during the last decade. This measure of aggregate self-sufficiency includes the effects of changes in self-sufficiency of the products cited above, as well as changes in other agricultural products.

When the EC surpasses self-sufficiency for a specific product, carryover stocks generally increase significantly. Average stock carryovers for wheat, beef, nonfat dry milk, butter, cheese, and wine are between 100 and 800 percent larger than when the EC first became self-sufficient in these commodities.

Because of the EC's price support system, market prices do not usually decline when a surplus exists, so consumption has not usually increased as a result of the surplus. In some cases, however, the EC provides special internal subsidies to help dispose of its surpluses. Notable cases include subsidies for the feed use of wheat in 1983/84, and an ongoing feed subsidy for nonfat dry milk. There is also a variety of consumer subsidies for dairy products, and processing subsidies to convert surplus wine to industrial alcohol and potatoes to starch. However, average stock-to-use ratios usually have increased, even in these cases.

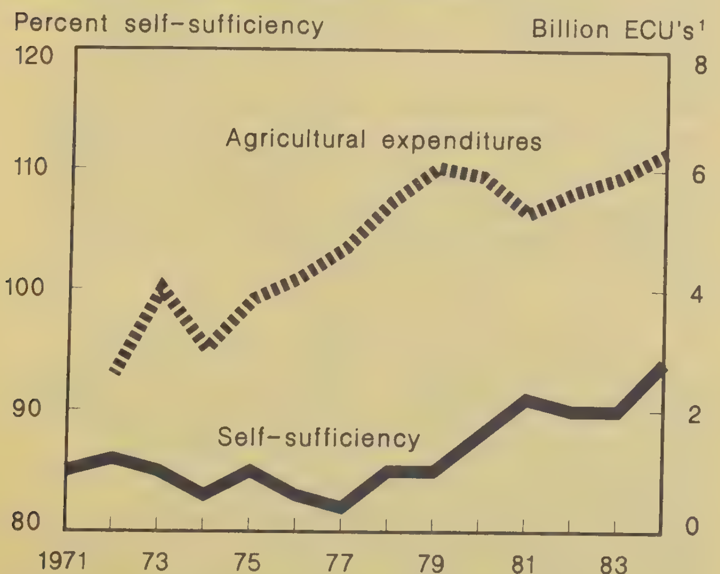
Agricultural Trade Deficit Declines

Agricultural exports from the Community to non-EC countries were valued at 26 billion ECU's in 1983, equivalent to $23 billion at the exchange rate at that time. EC imports from non-EC countries of 43 billion ECU's ($38 billion) left a trade deficit of $15 billion.

The growth in exports and imports averaged 13.8 and 8 percent a year, respectively, in terms of nominal ECU's between 1973 and 1983. However, measuring EC trade in nominal ECU's masks a significant trend because of the effects of inflation. Furthermore, measuring changes in EC trade in terms of the U.S. dollar also presents a biased picture because of the effects of fluctuations in exchange rates between the dollar and European currencies. Measuring trade in deflated ECU's provides a more accurate insight into the basic trend in EC agricultural trade.

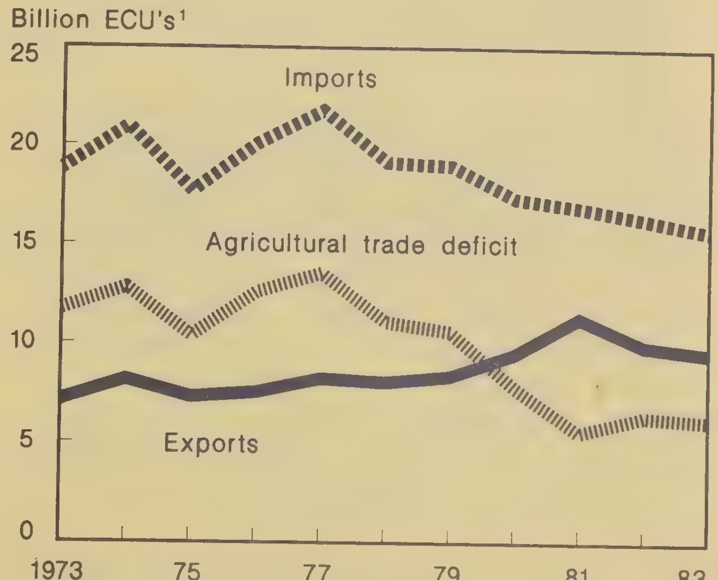
EC farm exports, measured in constant 1973 ECU's, grew 3 percent a year, rising from 7.1 billion ECU's in 1973 to 9.6 billion in 1983. Meantime, agricultural imports, measured in real terms, declined rather than rose. Although the rate of decline averaged

EC Agricultural Self-sufficiency and Farm Budget Expenditures



1/ Adjusted for inflation by measuring in constant 1973 ECU's. Expenditures in 1984 were 18.4 billion in current ECU's ($ 13.8 billion).

EC Agricultural Trade Deficit Declines



1/ Adjusted for inflation by measuring in constant 1973 ECU's.

only 1.8 percent a year, the EC's agricultural trade deficit declined rather than rose, as indicated when measured in nominal ECU's.

The EC has increasingly used subsidized exports to dispose of its surpluses. As a result, the EC share of world agricultural trade has also risen significantly. Exports to non-EC countries rose from 11 to 14 percent of world trade (excluding intra-EC trade) between 1974 and 1983. Meanwhile, the EC import share declined from 27 to 20 percent.

The changing importance of exports and imports relative to EC food production and consumption is also related to the EC's increasing self-sufficiency. As EC production and surpluses increased during the last decade, exports as a percent of production rose from 11 to 17 percent. However, imports as a percent of EC food consumption declined slightly from 26 to 25 percent as the EC relied more on internally produced products.

EC Policy Encourages Increased Self-Sufficiency and Net Exports

Increased productivity has been a major contributor to larger production. Between 1973 and 1984, wheat and coarse grain yields rose an average 2.8 and 1.9 percent a year, respectively. Milk per cow climbed 1.9 percent a year and pigs marketed per sow increased about one-third. Overall, EC agricultural production has increased steadily since the mid-1970's. The index of agricultural production (1977=100) was 119 in 1984, representing a 2.5-percent annual growth rate.

The incentives to increase production include a stable agricultural policy that reduces risk and encourages investment. Investments with longer term payoffs, such as research in plant and animal breeding, and farmers' purchases of superior breeding stock and productivity-enhancing machinery and equipment have supported the rapid growth in output. High and steadily rising nominal support prices also have promoted increased output. A 1-percent-a-year downward trend in real producer prices has been more than offset by increases in productivity.

For most products covered by the CAP, high EC market prices tend to discourage consumption. Thus, per capita and total consumption are lower than they would be if world market prices prevailed. The EC offsets this disincentive to a limited extent by providing various types of subsidies designed to enhance consumption of surplus products within the EC. Examples include numerous consumer subsidies for surplus dairy products and processing subsidies to make EC-produced crops competitive with lower-priced imports.

These price support programs, combined with export subsidies and various other market support activities, are the EC's largest budgetary item. Expenditures on agriculture rose an average 13 percent a year (5 percent in real terms) between 1973 and 1984, when they peaked at 18.4 billion ECU's ($13.8 billion).

Prospects for the Future

A continuation of current trends in the production, consumption, and trade of agricultural products shows the EC reaching 100 percent self-sufficiency in the late 1990's. At that time, the value of agricultural exports would overtake the value of imports and the region would become an overall net exporter. The EC's presence in world export markets would be increased. Although the EC would still be a large importer by world standards, its reliance on agricultural imports would diminish considerably.

The effect of rising self-sufficiency will bring additional financial problems to the EC. Larger expenditures for export subsidies likely will be required to dispose of surpluses on world markets. A weakening of the dollar over the next decade to more traditional exchange rates means that even larger export subsidy expenditures will be required unless the EC lets prices decline to nearer world levels. If lower U.S. and world prices follow 1985 U.S. farm legislation, this could also increase EC expenditures.

The CAP is essentially a domestically oriented policy where import levies and export subsidies are simply mechanisms to stabilize EC prices at desired levels. The CAP's overriding objective is to support farm income. Supporting the income of relatively small farmers through the price system rather than through some form of direct income payments makes high prices a necessity. Even

if EC costs of production were as low as other major agricultural exporters, satisfactory farm incomes would still depend on high prices to compensate for the lower sales volume of small farms.

There seems little prospect for significant reform of the CAP during the next 2–3 years. Direct income payments to farmers, in lieu of lower support prices, will continue to be resisted by various groups. The payments carry an unpopular "welfare" connotation for many farmers. Although the sugar and dairy industries provide a precedent for production or marketing quotas, the use of quotas for other products will be strongly resisted because they incorporate structural rigidities in agricultural production and marketing and are difficult for the EC to administer.

However, as EC agricultural expenditures rise for internal market support and export subsidies, the EC likely will encounter yet another budget crisis. Increased saturation of many export markets will raise export subsidy costs even further and likely will intensify EC trade conflicts with competing exporters, including the United States. In the longer run, the combined effects of climbing costs (including the increased cost resulting from Spain and Portugal's membership in the EC) and intensifying trade conflicts are likely to bring about some changes in the CAP. [*Ronald Trostle, (202) 447–8289*]

Appendix Table 1: Area and production of grains in Western Europe, Annual 1981-84 1/

Country and year	Area								Production			
	Wheat	Rye 2/	Feed grains				Rice, paddy	Total grains	Wheat	Rye 2/	Feed grains	
			Barley	Oats	Corn	Total 3/					Barley	Oats
	---------------------- 1,000 hectares ------------------								------ 1,000 tons ------			
European Community												
Belgium-Luxembourg												
1981	180	9	172	43	6	221	--	410	926	35	824	172
1982	183	8	149	52	7	208	--	399	1,063	33	814	225
1983	203	7	154	34	5	193	--	403	1,062	27	705	140
1984	193	8	154	27	6	187	--	388	1,292	37	920	119
Denmark												
1981	150	50	1,541	42	--	1,587	--	1,787	835	208	6,044	176
1982	180	55	1,485	43	--	1,532	--	1,767	1,207	235	6,357	178
1983	244	78	1,365	28	--	1,396	--	1,718	1,577	321	4,450	83
1984	334	123	1,191	31	--	1,225	--	1,682	2,446	608	6,072	150
France												
1981	4,753	117	2,679	501	1,571	4,968	6	9,844	22,882	342	10,231	1,774
1982	4,845	110	2,388	518	1,646	4,752	5	9,712	25,368	327	10,036	1,802
1983	4,826	101	2,143	436	1,684	4,460	7	9,394	24,788	283	8,803	1,395
1984	5,100	104	2,114	443	1,728	4,489	10	9,703	33,325	359	11,646	1,876
Germany, Fed. Rep.												
1981	1,632	500	2,044	825	129	2,998	--	5,130	8,314	1,793	8,687	3,200
1982	1,578	422	2,021	888	160	3,069	--	5,069	8,632	1,703	9,460	3,777
1983	1,655	456	2,035	729	169	2,933	--	5,044	8,998	1,646	8,944	2,489
1984	1,634	450	2,006	669	182	2,857	--	4,941	10,223	1,983	10,284	2,973
Ireland												
1981	44	--	330	24	--	354	--	398	230	--	1,320	94
1982	57	--	334	23	--	357	--	414	380	--	1,530	93
1983	59	--	304	22	--	326	--	385	330	--	1,310	100
1984	78	--	294	24	--	318	--	396	570	--	1,548	133
Italy												
1981	3,258	14	338	222	998	1,576	169	5,017	8,828	31	983	422
1982	3,326	13	352	219	1,011	1,602	178	5,119	8,903	32	1,060	359
1983	3,328	11	383	209	986	1,603	184	5,126	8,514	28	1,174	307
1984	3,280	12	434	191	968	1,623	180	5,095	10,005	30	1,618	438
Netherlands												
1981	132	7	53	21	1	75	--	214	882	29	249	115
1982	131	6	44	24	1	69	--	206	967	26	247	136
1983	148	7	37	14	0	51	--	206	1,043	26	177	61
1984	143	6	34	12	0	46	--	195	1,131	25	192	58
United Kingdom												
1981	1,491	7	2,327	144	--	2,482	--	3,980	8,710	25	10,230	620
1982	1,664	7	2,221	130	--	2,362	--	4,033	10,315	25	10,954	575
1983	1,690	7	2,144	110	--	2,265	--	3,962	10,880	25	9,980	460
1984	1,965	6	1,970	107	--	2,085	--	4,056	14,800	25	11,100	550
Total EC-9												
1981	11,640	704	9,484	1,822	2,705	14,261	175	26,780	51,607	2,463	38,568	6,573
1982	11,964	621	8,994	1,897	2,825	13,951	183	26,719	56,835	2,381	40,458	7,145
1983	12,153	667	8,565	1,582	2,844	13,227	191	26,238	57,192	2,356	35,543	5,035
1984	12,727	709	8,197	1,504	2,884	12,830	190	26,456	73,792	3,067	43,380	6,297
Greece												
1981	1,005	3	312	49	161	522	15	1,545	2,774	5	764	81
1982	1,033	3	311	52	163	526	16	1,578	2,983	6	872	82
1983	1,015	4	312	48	171	531	14	1,564	2,026	9	572	54
1984	924	7	334	44	205	583	15	1,529	2,370	15	831	72
Total EC-10												
1981	12,645	707	9,796	1,871	2,866	14,783	190	28,325	54,381	2,468	39,332	6,654
1982	12,997	624	9,305	1,949	2,988	14,477	199	28,297	59,818	2,387	41,330	7,227
1983	13,168	671	8,877	1,630	3,015	13,758	205	27,802	59,218	2,365	36,115	5,089
1984	13,651	716	8,531	1,548	3,089	13,413	205	27,985	76,162	3,082	44,211	6,369

See footnotes at end of table

Appendix Table 1: Area and production of grains in Western Europe, Annual 1981-84 1/--Continued

Country and year	Production--Cont.				Yield							
			Rice, paddy	Total grains	Wheat	Rye 2/	Feed grains				Rice, paddy	Total grains
	Corn	Total 3/					Barley	Oats	Corn	Total 3/		
	------- 1,000 tons -------				------- Metric tons per hectare -------							
European Community												
Belgium-Luxembourg												
1981	38	1,034	--	1,995	5.14	3.89	4.79	4.00	6.33	4.68	--	4.87
1982	52	1,091	--	2,187	5.81	4.13	5.46	4.33	7.43	5.25	--	5.48
1983	39	884	--	1,973	5.23	3.86	4.58	4.12	7.80	4.58	--	4.90
1984	43	1,082	--	2,411	6.69	4.62	5.97	4.14	7.17	5.79	--	6.21
Denmark												
1981	--	6,234	--	7,277	5.57	4.16	3.92	4.19	--	3.93	-	4.07
1982	--	6,551	--	7,993	6.71	4.27	4.28	4.14	--	4.28	--	4.52
1983	--	4,540	--	6,438	6.46	4.12	3.26	2.96	--	3.25	--	3.75
1984	--	6,229	--	9,283	7.32	4.94	5.10	4.65	--	5.08	--	5.52
France												
1981	8,956	21,769	17	45,010	4.81	2.92	3.82	3.54	5.70	4.38	2.83	4.57
1982	10,400	22,976	26	48,697	5.24	2.97	4.20	3.48	6.32	4.84	5.20	5.01
1983	10,440	21,371	35	46,477	5.14	2.80	4.12	3.20	6.20	4.79	5.00	4.95
1984	10,195	24,567	45	58,296	6.53	3.45	5.51	4.20	5.90	5.47	4.50	6.00
Germany, Fed. Rep.												
1981	832	12,719	--	22,826	5.09	3.59	4.25	3.88	6.45	4.24	--	4.45
1982	1,054	14,291	--	24,626	5.47	4.04	4.68	4.25	6.59	4.66	--	4.86
1983	934	12,367	--	23,011	5.44	3.61	4.40	3.41	5.53	4.22	--	4.56
1984	1,026	14,283	--	26,489	6.26	2.65	5.13	4.44	5.63	5.00	--	5.36
Ireland												
1981	--	1,414	--	1,644	5.23	--	4.00	3.92	--	3.99	--	4.13
1982	--	1,623	--	2,003	6.67	--	4.58	4.04	--	4.55	--	4.84
1983	--	1,410	--	1,740	5.59	--	4.31	4.55	--	4.33	--	4.52
1984	--	1,681	--	2,251	7.31	--	5.26	5.54	--	5.29	-	5.68
Italy												
1981	7,197	8,706	960	18,525	2.71	2.21	2.91	1.90	7.21	5.52	5.68	3.69
1982	6,847	8,357	954	18,246	2.68	2.46	3.01	1.64	6.77	5.22	5.36	3.56
1983	6,669	8,250	1,029	17,821	2.56	2.55	3.07	1.47	6.76	5.15	5.59	3.48
1984	6,828	9,009	1,020	20,064	3.05	2.50	3.73	2.24	7.05	5.55	5.67	3.94
Netherlands												
1981	1	365	--	1,276	6.68	4.14	4.70	5.48	1.00	4.87	--	5.96
1982	1	384	--	1,377	7.38	4.33	5.61	5.67	1.00	5.57	--	6.68
1983	1	239	--	1,308	7.05	3.71	4.78	4.36	--	4.69	--	6.35
1984	1	251	--	1,407	7.93	4.17	5.65	5.23	--	5.46	--	7.22
United Kingdom												
1981	--	10,890	--	19,625	5.84	3.57	4.40	4.31	--	4.39	--	4.93
1982	--	11,567	--	21,907	6.20	3.57	4.93	4.42	--	4.90	--	5.43
1983	--	10,480	--	21,385	6.44	3.57	4.65	4.18	--	4.63	--	5.40
1984	--	11,685	--	26,510	7.53	4.17	5.63	5.00	--	5.60	--	6.54
Total EC-9												
1981	17,024	63,131	977	118,178	4.43	3.50	4.07	3.61	6.29	4.43	5.58	4.41
1982	18,354	66,840	980	127,036	4.75	3.83	4.50	3.77	6.50	4.79	5.36	4.75
1983	18,083	59,541	1,064	120,153	4.70	3.53	4.15	3.18	6.36	4.50	5.57	4.58
1984	18,093	68,787	1,065	146,711	5.80	4.32	5.29	4.16	6.27	5.36	5.61	5.55
Greece												
1981	1,337	2,182	79	5,040	2.76	1.67	2.45	1.65	8.30	4.18	5.27	3.26
1982	1,449	2,403	83	5,475	2.89	2.00	2.80	1.58	8.89	4.57	5.19	3.47
1983	1,550	2,176	84	4,295	2.00	2.25	1.83	1.13	9.06	4.10	6.00	2.75
1984	1,992	2,895	84	5,364	2.57	2.14	2.49	1.60	9.71	4.96	5.60	3.51
Total EC-10												
1981	18,361	65,313	1,056	123,218	4.30	3.49	4.02	3.56	6.41	4.42	5.56	4.35
1982	19,803	69,243	1,063	132,511	4.60	3.83	4.44	3.71	6.63	4.78	5.34	4.68
1983	19,633	61,717	1,148	124,448	4.50	3.52	4.07	3.12	6.51	4.49	5.60	4.48
1984	20,085	71,682	1,149	152,075	5.58	4.30	5.18	4.07	6.50	5.34	5.60	5.43

Continued--

Appendix Table 1: Area and production of grains in Western Europe, Annual 1981-84 1/

Country and year	Area								Production			
			Feed grains								Feed grains	
	Wheat	Rye 2/	Barley	Oats	Corn	Total 3/	Rice, paddy	Total grains	Wheat	Rye 2/	Barley	Oats
	1,000 hectares								1,000 tons			
Other Western Europe												
Austria												
1981	274	102	362	91	189	674	--	1,050	1,025	320	1,220	304
1982	289	100	340	91	198	663	--	1,052	1,237	348	1,436	325
1983	313	93	339	83	206	660	--	1,066	1,415	348	1,480	291
1984	315	94	329	77	207	643	--	1,052	1,501	381	1,517	292
Finland												
1981	108	41	570	434	--	1,017	--	1,166	235	64	1,080	1,008
1982	143	16	540	459	--	1,010	--	1,169	435	35	1,599	1,320
1983	160	47	550	449	--	1,012	--	1,219	550	116	1,764	1,407
1984	154	44	526	419	--	960	--	1,158	478	92	1,724	1,327
Norway												
1981	13	1	177	126	--	304	--	318	58	3	608	463
1982	17	1	170	134	--	305	--	323	75	2	623	496
1983	23	1	181	119	--	301	--	325	97	2	569	402
1984	30	1	190	110	--	301	--	332	145	2	700	527
Portugal												
1981	371	199	74	160	348	582	25	1,177	315	126	41	72
1982	366	194	77	170	352	599	34	1,193	426	119	51	86
1983	331	186	89	184	311	584	26	1,127	327	114	41	66
1984	280	131	97	185	319	601	35	1,047	500	115	115	195
Spain												
1981	2,636	220	3,509	464	429	4,436	69	7,361	3,408	212	4,758	445
1982	2,663	212	3,616	442	418	4,511	68	7,453	4,413	169	5,269	446
1983	2,616	212	3,635	466	351	4,482	40	7,349	4,333	247	6,570	470
1984	2,267	233	3,944	473	436	4,880	70	7,450	5,800	325	10,000	790
Sweden												
1981	224	51	681	474	--	1,214	--	1,489	1,066	179	2,452	1,816
1982	283	54	635	477	--	1,173	--	1,510	1,490	211	2,378	1,663
1983	336	62	618	404	--	1,082	--	1,480	1,722	237	2,026	1,268
1984	310	63	639	433	--	1,136	--	1,509	1,753	253	2,702	1,924
Switzerland												
1981	82	7	50	12	18	86	--	175	385	30	226	58
1982	83	5	48	14	20	88	--	176	410	23	236	60
1983	84	4	51	11	19	88	--	176	410	18	240	52
1984	89	4	52	10	18	87	--	180	547	24	312	53
Total Other Western Europe												
1981	3,708	621	5,423	1,761	984	8,313	94	12,736	6,492	934	10,387	4,166
1982	3,844	582	5,426	1,787	988	8,349	102	12,876	8,486	907	11,594	4,393
1983	3,863	605	5,463	1,716	887	8,209	66	12,742	8,854	1,082	12,692	3,956
1984	3,445	570	5,777	1,707	980	8,608	105	12,728	10,724	1,192	17,070	5,108
Total Western Europe												
1981	16,353	1,328	15,219	3,632	3,850	23,096	284	41,061	60,873	3,402	49,719	10,820
1982	16,841	1,206	14,731	3,736	3,976	22,826	301	41,173	68,304	3,294	52,924	11,620
1983	17,031	1,276	14,340	3,346	3,902	21,967	271	40,544	68,072	3,447	48,807	9,045
1984	17,096	1,286	14,308	3,255	4,069	22,021	310	40,713	86,886	4,274	61,281	11,477

-- = None, or negligible
1/ Data for 1984 are preliminary.
2/ Rye is considered a bread grain but for the region, about half the crop is used for feed.
3/ Includes other grains: millett, sorghum, buckwheat, and mixed grains.

Appendix Table 1: Area and production of grains in Western Europe, Annual 1981-84 1/--Continued

Country and year	Production--Cont.				Yield							
			Rice, paddy	Total grains	Wheat	Rye 2/	Feed grains				Rice, paddy	Total grains
	Corn	Total 3/					Barley	Oats	Corn	Total 3/		
	1,000 tons				Metric tons per hectare							
Other Western Europe												
Austria												
1981	1,374	3,011	--	4,356	3.74	3.14	3.37	3.34	7.27	4.47	--	4.15
1982	1,551	3,442	--	5,027	4.28	3.48	4.22	3.57	7.83	5.19	--	4.78
1983	1,437	3,331	--	5,094	4.52	3.74	4.37	3.51	6.98	5.05	--	4.78
1984	1,542	3,400	--	5,354	4.77	4.05	4.61	3.79	7.48	5.40	--	5.09
Finland												
1981	--	2,116	--	2,415	2.18	1.56	1.89	2.32	--	2.08	--	2.07
1982	--	2,948	--	3,418	3.04	2.19	2.96	2.88	--	2.92	--	2.92
1983	--	3,212	--	3,878	3.44	2.47	3.21	3.13	--	3.17	--	3.18
1984	--	3,220	--	3,661	3.10	2.09	3.28	3.18	--	3.22	--	3.16
Norway												
1981	--	1,073	--	1,134	4.46	3.00	3.44	3.67	--	3.53	--	3.57
1982	--	1,121	--	1,198	4.41	2.00	3.66	3.70	--	3.68	--	3.71
1983	--	973	--	1,072	4.22	2.00	3.14	3.38	--	3.23	--	3.30
1984	--	1,229	--	1,376	4.83	2.00	3.68	4.79	--	4.08	--	4.16
Portugal												
1981	377	490	112	1,043	0.85	0.63	0.55	0.45	1.08	0.84	4.48	0.89
1982	421	558	143	1,246	1.16	0.61	0.66	0.51	1.20	0.93	4.21	1.04
1983	424	531	100	1,072	0.70	0.61	0.46	0.36	1.36	0.91	3.85	0.95
1984	483	655	154	1,428	1.78	0.88	1.39	1.05	1.51	1.35	4.40	1.51
Spain												
1981	2,157	7,503	444	11,567	1.29	0.96	1.36	0.96	5.03	1.69	6.43	1.57
1982	2,330	8,166	401	13,149	1.66	0.80	1.46	1.00	5.57	1.81	5.90	1.76
1983	1,789	8,920	223	13,723	1.66	1.17	1.81	1.01	5.10	1.99	5.58	1.87
1984	2,505	14,009	457	19,530	2.56	1.39	2.54	1.67	5.75	2.75	6.53	2.68
Sweden												
1981	--	4,453	--	5,698	4.76	3.51	3.60	3.83	--	3.67	--	3.83
1982	--	4,225	--	5,926	5.27	3.91	3.74	3.49	--	3.60	--	3.92
1983	--	3,456	--	5,415	5.13	3.82	3.28	3.14	--	3.19	--	3.66
1984	--	5,006	--	6,832	5.65	4.09	4.22	4.44	--	4.25	--	4.53
Switzerland												
1981	139	450	--	865	4.70	4.29	4.52	4.83	7.72	5.23	--	4.94
1982	173	495	--	928	4.94	4.60	4.92	4.29	8.65	5.62	--	5.27
1983	136	456	--	884	4.88	4.50	4.71	4.73	7.16	5.18	--	5.02
1984	126	482	--	1,090	6.14	6.00	6.00	5.3	7.00	5.97	--	6.06
Total Other Western Europe												
1981	4,047	19,098	556	27,081	1.75	1.50	1.92	2.37	4.11	2.30	5.91	2.13
1982	4,475	20,957	544	30,892	2.21	1.56	2.14	2.46	4.53	2.51	5.33	2.40
1983	3,786	20,881	323	31,138	2.29	1.79	2.32	2.31	4.27	2.54	4.89	2.44
1984	4,656	28,001	611	39,271	3.11	2.09	2.96	2.99	4.47	3.18	5.82	3.13
Total Western Europe												
1981	22,408	84,411	1,612	150,299	3.72	2.56	3.27	2.98	5.82	3.65	5.68	3.66
1982	24,278	90,200	1,607	163,403	4.06	2.73	3.59	3.11	6.11	3.95	5.34	3.97
1983	23,419	82,598	1,471	155,586	4.00	2.70	3.40	2.70	6.00	3.76	5.43	3.84
1984	24,741	99,683	1,760	191,346	5.08	3.32	4.28	3.52	6.08	4.50	5.68	4.71

Appendix Table 2.--Area and production of selected nongrain crops in Western Europe, average 1970-74, annual 1981-84 1/

Country and year	Area				Production					Fruit		
	Potatoes	Sugar beets	Cotton	Tobacco	Potatoes	Sugar beets	Cotton	Tobacco	Olive oil	Apples 2/	Pears 2/	Citrus
	1,000 hectares				1,000 tons							
European Community												
Belgium-Luxembourg												
1970-74	48	99	--	1	1,458	4,533	--	2	--	245	61	--
1981	44	130	--	1	1,426	6,936	--	2	--	134	58	--
1982	38	124	--	1	1,342	7,430	--	2	--	270	97	--
1983	36	109	--	1	1,250	5,120	--	2	--	203	102	--
1984	35	116	--	1	978	6,600	--	2	--	230	70	--
France												
1970-74	346	451	--	20	8,146	19,313	--	48	2	1,778	489	12
1981	212	616	--	17	6,437	33,332	--	43	2	1,502	422	33
1982	209	539	--	15	4,662	29,680	--	45	2	1,978	429	33
1983	133	466	--	15	3,480	22,612	--	36	2	1,573	417	30
1984	135	509	--	14	4,583	25,000	--	36	2	1,930	446	25
Germany, West												
1970-74	520	334	--	4	14,938	15,214	--	10	--	1,659	411	--
1981	246	464	--	3	7,585	24,353	--	8	--	773	276	--
1982	238	429	--	3	7,049	22,692	--	8	--	2,637	534	--
1983	224	403	--	3	5,669	16,255	--	8	--	1,313	380	--
1984	219	422	--	3	7,230	20,000	--	7	--	1,799	449	--
Greece												
1970-74	52	25	146	89	767	1,341	126	87	212	210	107	620
1981	52	42	126	91	1,028	2,560	120	127	377	300	115	952
1982	50	41	137	95	1,015	2,548	100	113	230	265	129	882
1983	50	39	168	97	1,030	2,500	135	140	324	311	146	945
1984	50	28	192	98	1,015	1,700	141	146	250	300	117	1,056
Italy												
1970-74	223	248	6	45	3,145	9,285	1	85	471	1,912	1,645	2,583
1981	153	317	1	61	2,879	17,498	1	131	515	1,773	1,220	2,977
1982	148	257	1	65	2,625	11,266	1	145	430	2,642	1,142	2,511
1983	140	215	1	71	2,542	10,086	1	156	824	2,056	1,292	3,675
1984	135	208	1	70	2,700	10,800	1	147	420	2,075	1,030	2,986
Netherlands												
1970-74	155	109	--	--	5,769	5,045	--	--	--	441	112	--
1981	165	130	--	--	6,444	7,400	--	--	--	260	90	--
1982	163	134	--	--	6,219	7,946	--	--	--	440	105	--
1983	161	123	--	--	5,338	5,450	--	--	--	364	121	--
1984	155	123	--	--	6,000	6,200	--	--	--	380	97	--
Denmark												
1970-74	33	56	--	--	828	2,254	--	--	--	75	8	--
1981	36	78	--	--	1,052	3,352	--	--	--	43	6	--
1982	35	73	--	--	1,236	2,632	--	--	--	59	3	--
1983	30	74	--	--	860	3,700	--	--	--	47	4	--
1984	30	75	--	--	900	3,200	--	--	--	67	3	--
Ireland												
1970-74	48	29	--	--	1,282	1,110	--	--	--	8	--	--
1981	38	35	--	--	1,000	1,319	--	--	--	7	--	--
1982	37	34	--	--	1,100	1,659	--	--	--	9	--	--
1983	32	36	--	--	700	1,630	--	--	--	9	--	--
1984	35	35	--	--	800	1,610	--	--	--	9	--	--
United Kingdom												
1970-74	241	191	--	--	7,000	6,502	--	--	--	423	58	--
1981	191	209	--	--	6,213	7,395	--	--	--	227	49	--
1982	192	202	--	--	6,875	10,007	--	--	--	340	40	--
1983	195	196	--	--	5,885	8,000	--	--	--	292	54	--
1984	199	200	--	--	7,460	6,500	--	--	--	312	47	--
Total EC-10												
1970-74	1,666	1,542	152	159	43,333	64,597	127	232	685	6,751	2,891	3,215
1981	1,137	2,021	127	173	34,064	104,145	121	311	894	5,019	2,236	3,962
1982	1,115	1,833	138	173	32,117	95,820	101	304	662	8,640	2,479	3,426
1983	974	1,661	169	187	26,754	75,353	136	342	1,150	6,168	2,516	4,650
1984	993	1,712	193	186	31,666	83,610	142	338	672	7,102	2,259	4,067

Continued--

Appendix Table 2--Area and production of selected nongrain crops in Western Europe, average 1970-74, annual 1981-84 1/--Continued

Country and year	Area				Production					Fruit		
	Potatoes	Sugar beets	Cotton	Tobacco	Potatoes	Sugar beets	Cotton	Tobacco	Olive oil	Apples 2/	Pears 2/	Citrus
		1,000 hectares							1,000 tons			
Other Western Europe												
Austria												
1970-74	96	47	--	--	2,375	2,059	--	1	--	170	47	--
1981	50	59	--	--	1,310	3,007	--	--	--	197	34	--
1982	47	58	--	--	1,121	3,510	--	--	--	340	59	--
1983	47	42	--	--	1,015	2,024	--	--	--	263	49	--
1984	45	51	--	--	1,138	2,511	--	--	--	276	53	--
Finland												
1970-74	51	19	--	--	770	563	--	--	--	--	--	--
1981	39	32	--	--	480	676	--	--	--	10	--	--
1982	39	32	--	--	601	790	--	--	--	10	--	--
1983	45	32	--	--	804	1,060	--	--	--	10	--	--
1984	41	32	--	--	745	950	--	--	--	10	--	--
Norway												
1970-74	31	--	--	--	744	--	--	--	--	49	10	--
1981	24	--	--	--	530	--	--	--	--	54	10	--
1982	25	--	--	--	530	--	--	--	--	44	8	--
1983	21	--	--	--	410	--	--	--	--	51	8	--
1984	20	--	--	--	400	--	--	--	--	50	9	--
Portugal												
1970-74	111	--	--	--	1,123	--	--	--	52	132	55	163
1981	115	1	--	1	889	40	--	2	38	100	44	115
1982	115	1	--	1	1,100	70	--	2	79	85	62	120
1983	110	1	--	1	1,150	70	--	--	13	70	65	115
1984	110	1	--	1	1,200	70	--	--	40	70	65	115
Spain												
1970-74	401	195	94	16	5,250	5,270	51	25	399	766	414	2,946
1981	343	218	72	20	5,470	7,941	62	43	297	1,063	525	2,644
1982	338	259	49	22	5,222	9,085	48	42	666	891	451	3,019
1983	340	241	40	22	5,163	9,132	28	43	258	1,049	559	3,890
1984	343	218	64	22	5,933	8,755	61	45	645	1,049	484	3,472
Sweden												
1970-74	49	42	--	--	1,214	1,925	--	--	--	30	5	--
1981	42	52	--	--	1,220	2,484	--	--	--	29	6	--
1982	40	54	--	--	1,030	2,432	--	--	--	43	5	--
1983	40	53	--	--	811	1,922	--	--	--	43	5	--
1984	40	52	--	--	756	2,530	--	--	--	42	6	--
Switzerland												
1970-74	27	10	--	1	1,075	463	--	2	--	109	22	--
1981	14	14	--	1	1,100	902	--	2	--	83	15	--
1982	15	15	--	1	1,050	836	--	2	--	140	22	--
1983	14	15	--	1	1,000	832	--	2	--	99	20	--
1984	14	15	--	1	1,000	850	--	2	--	124	21	--
Total Other Western												
1970-74	766	313	94	17	12,551	10,280	51	28	451	1,256	553	3,109
1981	627	376	72	22	10,999	15,050	62	47	335	1,536	634	2,759
1982	619	419	49	24	10,513	16,723	48	46	745	1,553	607	3,139
1983	617	384	40	24	10,353	15,040	28	47	271	1,585	706	4,005
1984	613	369	64	24	11,171	15,666	61	47	695	1,621	638	3,537
Total Western Europe												
1970-74	2,432	1,855	246	176	55,884	74,877	178	260	1,136	8,007	3,444	6,324
1981	1,764	2,397	199	195	45,063	119,195	183	358	1,229	6,555	2,870	6,721
1982	1,734	2,252	187	197	42,630	112,543	149	350	1,407	10,193	3,086	6,565
1983	1,591	2,045	209	211	37,107	90,393	164	389	1,421	7,753	3,222	8,655
1984	1,606	2,081	257	210	42,837	99,306	203	385	1,367	8,723	2,897	7,604

-- = None or negligible.
1/ Data for 1984 are preliminary.
2/ Dessert and cooking only.

Appendix table 3--Production of principal livestock products in Western Europe, average 1970-74 annual 1981-84 1/

Country and year	Principal red meats: Beef and veal	Sheep and goat meat	Pork 2/	Total	Poultry meat 3/	Cow's milk 4/	Eggs
	1,000 tons						
European Community							
Belgium-Luxembourg							
1970-74	281	3	534	818	111	4,011	223
1981	319	4	716	1,039	132	4,059	192
1982	287	5	700	992	140	4,066	192
1983	291	7	740	1,038	144	4,161	186
1984	317	8	756	1,081	148	4,043	188
France							
1970-74	1,577	129	1,341	3,047	727	24,092	668
1981	1,834	173	1,640	3,647	1,236	26,795	892
1982	1,698	180	1,610	3,488	1,330	27,358	935
1983	1,764	179	1,605	3,548	1,284	27,905	883
1984	1,972	175	1,625	3,772	1,257	27,877	865
Germany, West							
1970-74	1,291	11	2,403	3,705	266	21,458	882
1981	1,535	28	2,700	4,263	376	24,858	776
1982	1,471	27	2,670	4,168	379	25,465	771
1983	1,487	28	2,731	4,246	344	26,913	767
1984	1,609	27	2,744	4,380	350	26,000	768
Greece							
1970-74	93	96	76	265	79	611	121
1981	94	121	152	367	146	714	148
1982	89	119	155	363	156	684	148
1983	86	121	154	361	153	677	147
1984	85	122	149	356	152	665	145
Italy							
1970-74	1,072	48	626	1,746	775	8,691	626
1981	1,111	69	992	2,172	947	10,637	672
1982	1,107	68	994	2,169	976	10,800	660
1983	1,149	67	1,046	2,262	977	10,580	642
1984	1,155	69	1,100	2,324	948	10,700	635
Netherlands							
1970-74	311	11	753	1,075	314	8,904	262
1981	428	16	1,149	1,593	410	12,147	577
1982	413	12	1,165	1,590	419	12,708	628
1983	433	11	1,201	1,645	399	13,231	630
1984	485	10	1,258	1,753	411	12,740	654
Denmark							
1970-74	195	1	753	949	86	4,706	76
1981	238	1	992	1,231	104	5,037	80
1982	232	1	991	1,224	110	5,217	84
1983	241	1	1,048	1,290	112	5,427	82
1984	248	1	1,040	1,289	111	5,236	81
Ireland							
1970-74	241	44	146	431	37	3,899	41
1981	315	44	153	512	49	4,803	38
1982	344	42	155	541	53	5,172	36
1983	352	40	163	555	55	5,627	38
1984	395	42	145	582	53	5,880	38
United Kingdom							
1970-74	952	232	1,001	2,185	631	13,212	851
1981	1,059	263	972	2,294	745	15,857	806
1982	960	268	977	2,205	805	16,745	794
1983	1,046	286	1,037	2,369	825	17,300	776
1984	1,135	291	950	2,376	845	16,265	800
Total EC-10							
1970-74	6,013	575	7,633	14,221	3,026	89,584	3,750
1981	6,933	719	9,466	17,118	4,145	104,907	4,181
1982	6,601	722	9,417	16,740	4,368	108,215	4,248
1983	6,849	740	9,725	17,314	4,293	111,821	4,151
1984	7,401	745	9,767	17,913	4,275	109,406	4,174

Appendix table 3--Production of principal livestock products in Western Europe, average 1970-74 annual 1981-84 1/--Continued

Country and year	Principal red meats: Beef and veal	Sheep and goat meat	Pork 2/	Total	Poultry meat 3/	Cow's milk 4/	Eggs
				1,000 tons			
Other Western Europe							
Austria							
1970-74	167	1	259	427	46	3,290	88
1981	199	2	353	554	65	3,495	102
1982	200	2	375	577	66	3,554	99
1983	197	2	377	576	67	3,634	101
1984	213	2	381	596	71	3,670	102
Finland							
1970-74	107	3	131	241	7	3,175	73
1981	120	1	178	299	17	3,171	80
1982	115	1	183	299	16	3,166	82
1983	117	1	176	294	19	3,236	84
1984	123	1	169	293	20	3,209	89
Norway							
1970-74	58	16	73	147	8	1,732	37
1981	76	21	83	180	12	1,965	45
1982	81	23	81	185	11	2,023	45
1983	80	21	80	181	11	1,999	45
1984	80	21	80	181	11	1,967	45
Portugal							
1970-74	80	25	106	211	74	458	40
1981	105	23	178	306	166	791	68
1982	116	24	177	317	150	793	72
1983	112	25	176	313	147	780	71
1984	95	25	178	298	150	700	75
Spain							
1970-74	344	143	545	1,032	556	3,914	490
1981	418	140	1,021	1,579	885	5,881	692
1982	420	141	1,115	1,676	849	5,947	729
1983	422	141	1,120	1,683	813	6,070	717
1984	388	142	1,175	1,705	800	6,270	655
Sweden							
1970-74	145	3	258	406	30	3,030	100
1981	158	5	321	484	47	3,496	112
1982	160	5	325	490	48	3,654	116
1983	160	5	316	481	47	3,715	115
1984	144	5	321	470	44	3,776	115
Switzerland							
1970-74	133	3	209	345	18	3,234	41
1981	156	4	275	435	24	3,658	43
1982	161	4	290	455	24	3,663	43
1983	153	4	291	448	25	3,731	45
1984	171	4	279	454	25	3,776	45
Total Other Western Europe							
1970-74	1,034	194	1,581	2,809	739	18,833	869
1981	1,232	196	2,409	3,837	1,216	22,457	1,142
1982	1,253	200	2,546	3,999	1,164	22,800	1,186
1983	1,241	199	2,536	3,976	1,129	23,165	1,178
1984	1,214	200	2,583	3,997	1,121	23,368	1,126
Total Western Europe							
1970-74	7,047	769	9,214	17,030	3,765	108,417	4,619
1981	8,165	915	11,875	20,955	5,361	127,364	5,323
1982	7,854	922	11,963	20,739	5,532	131,015	5,434
1983	8,090	939	12,261	21,290	5,422	134,986	5,329
1984	8,615	945	12,350	21,910	5,396	132,774	5,300

1/ Data for 1984 are preliminary.
2/ Excludes commercial lard.
3/ On ready-to-cook basis.
4/ As reported; it does not always include amounts fed young animals.

Appendix table 4--Agricultural imports by country, European Community and Other Western Europe, 1981-83

Commodity and year		SITC Numbers		European Community						
		Major headings	Sub-headings	Belgium Luxembourg	France	West Germany	Italy	Nether-lands	Denmark	Ireland
				Million dollars						
Live animals	1981	00		256.4	448.3	291.8	1,367.7	54.1	2.0	171.6
	1982			280.6	424.3	257.1	1,476.5	73.7	1.7	153.4
	1983			248.6	419.5	220.6	1,210.7	83.3	2.0	120.5
Meat and meat preparations	1981	01		452.4	2,051.0	2,345.3	2,135.3	534.9	20.1	70.3
	1982			432.5	2,043.3	2,269.1	2,458.5	439.0	18.7	57.8
	1983			377.7	1,998.5	2,055.7	2,278.5	357.6	21.8	64.8
Dairy products and eggs	1981	02		904.2	498.6	1,610.8	1,496.1	1,083.2	103.7	67.0
	1982			1,000.4	422.4	1,571.1	1,683.6	1,082.9	60.7	44.4
	1983			753.8	436.5	1,649.9	1,525.0	1,000.2	50.3	46.2
Cereals and cereal preparations	1981	04		1,407.8	760.3	1,464.8	1,591.3	1,263.1	171.3	252.3
	1982			1,319.9	916.8	1,395.6	1,393.0	1,156.9	136.4	184.5
	1983			1,135.4	786.4	1,219.2	1,273.8	1,036.7	157.2	199.5
Wheat and flour	1981		041,	305.5	190.0	324.4	681.4	348.5	9.8	90.4
	1982		046	263.0	258.9	352.2	696.5	321.3	12.4	54.6
	1983			218.4	135.6	253.7	550.6	236.2	26.0	69.1
Rice	1981		042	95.3	140.6	107.8	80.1	121.6	9.2	2.7
	1982			93.1	146.0	92.8	102.7	64.9	8.3	2.4
	1983			75.2	169.8	90.6	49.0	68.5	8.0	2.3
Feed grains	1981		043-	825.8	178.2	666.6	729.4	646.2	102.9	62.7
	1982		045	790.9	238.2	594.2	487.0	612.8	67.6	38.4
	1983			684.3	197.9	542.4	569.4	579.9	74.3	44.6
Fruit and vegetables	1981	05		1,031.0	2,491.1	5,329.9	651.7	1,640.3	258.9	201.6
	1982			982.0	2,451.5	4,917.6	707.3	1,710.0	235.1	214.3
	1983			877.3	2,387.6	4,771.1	689.0	1,543.1	235.8	183.7
Sugar, sugar preparations, and honey	1981	06		136.0	268.4	355.6	121.6	193.5	71.8	75.4
	1982			124.4	249.4	375.5	177.6	183.4	77.1	68.1
	1983			80.7	231.1	349.9	284.7	178.6	77.5	66.8
Coffee, tea, cocoa, spices, etc.	1981	07		574.3	1,393.9	2,375.5	805.7	1,030.9	255.4	111.0
	1982			544.0	1,396.0	2,438.6	825.0	1,040.1	241.2	109.2
	1983			541.5	1,446.2	2,334.8	837.7	1,067.7	227.8	102.2
Animal feed	1981	08		594.4	1,159.2	1,583.0	653.7	1,427.5	573.9	194.3
	1982			581.8	1,023.6	1,525.9	651.1	1,354.5	506.9	157.1
	1983			627.1	1,059.8	1,626.7	711.2	1,568.3	514.8	189.7
Oilseed cake and meal	1981		0813	238.4	970.5	1,017.1	339.8	597.9	505.4	111.7
	1982			245.9	851.7	954.3	319.8	568.0	441.3	90.0
	1983			267.0	881.7	986.9	353.7	699.1	447.8	101.6
Meatmeal and fishmeal	1981		0814	26.4	30.7	96.3	31.4	36.0	4.4	6.6
	1982			31.6	30.1	123.7	33.7	46.7	3.2	5.5
	1983			32.1	28.4	142.7	34.5	43.9	3.8	3.4
Miscellaneous food preparations	1981	09		174.1	188.8	246.3	56.7	165.2	33.3	50.9
	1982			162.5	191.6	233.2	62.2	152.4	30.6	47.8
	1983			158.7	200.0	242.2	70.7	145.8	30.3	47.0
Lard	1981		0913	12.3	2.9	3.2	0.1	29.8	3.0	0.7
	1982			10.0	2.5	3.5	0.4	28.8	1.2	0.5
	1983			10.7	3.5	3.4	0.5	27.9	1.9	0.6
Margarine and shortening	1981		0914	15.1	42.6	19.8	7.3	9.2	1.0	1.9
	1982			13.8	40.8	15.9	9.0	7.8	0.2	1.6
	1983			13.9	43.0	13.4	7.9	6.0	0.1	2.3

See footnotes at end of table.

Appendix table 4--Agricultural imports by country, European Community and Other Western Europe, 1981-83--Continued

United Kingdom	Greece	Total EC-10	Other Western Europe: Austria	Finland	Norway	Portugal	Spain	Sweden	Switzer-land	Total OWE	Total Western Europe
			Million dollars								
219.8	12.1	2,823.7	23.5	3.9	0.9	13.0	18.9	5.9	15.1	81.2	2,904.9
233.0	17.7	2,918.0	6.6	3.5	1.6	9.8	26.4	4.1	12.8	64.8	2,982.8
258.2	23.1	2,586.5	8.5	4.2	2.6	8.0	22.0	3.9	12.8	62.0	2,648.5
2,529.5	264.3	10,403.0	77.2	2.3	20.9	15.7	116.4	56.2	243.5	532.2	10,935.2
2,399.3	442.5	10,560.2	52.8	1.2	14.5	13.1	113.1	54.8	209.6	459.1	11,019.3
1,991.0	514.8	9,660.3	49.8	0.6	11.3	21.0	94.0	56.5	205.2	438.4	10,098.7
1,189.0	207.3	7,160.0	63.5	0.9	5.8	12.9	113.8	40.2	149.9	387.0	7,547.0
994.3	236.4	7,096.3	55.3	1.9	5.0	24.7	119.1	33.7	151.5	391.2	7,487.5
953.9	220.9	6,636.8	48.2	2.9	6.5	12.3	104.3	30.4	134.0	338.6	6,975.4
1,136.1	77.1	8,124.0	82.1	115.1	178.3	742.1	964.6	122.4	306.1	2,510.7	10,634.7
962.4	172.2	7,637.7	78.5	182.5	160.0	529.5	1,000.6	98.6	280.5	2,330.2	9,967.9
902.4	79.4	6,790.1	71.9	30.3	109.4	484.5	908.2	93.6	273.7	1,971.6	8,761.7
418.5	0.2	2,368.7	0.4	65.4	83.5	178.9	44.3	13.6	76.0	462.1	2,830.8
319.2	6.0	2,284.1	0.7	56.6	61.3	114.7	35.6	9.8	63.5	342.2	2,626.3
273.9	0.9	1,764.5	0.6	0.7	37.6	94.5	8.1	8.2	77.3	227.0	1,991.5
101.7	2.0	661.1	20.6	9.5	5.6	53.2	0.1	15.2	17.0	121.2	782.3
106.1	5.2	621.7	19.8	8.2	5.5	48.6	18.4	15.6	18.4	134.5	756.2
107.6	5.3	576.3	15.5	6.7	4.6	18.4	13.0	14.8	14.0	87.0	663.3
460.8	46.9	3,719.6	19.7	27.3	43.9	504.0	908.5	25.7	153.3	1,682.4	5,402.0
383.1	129.8	3,342.0	14.9	103.7	47.6	358.9	935.3	9.6	128.2	1,598.2	4,940.2
366.6	48.6	3,108.1	11.6	5.4	22.0	369.5	875.7	12.9	116.3	1,413.4	4,521.5
2,789.9	21.2	14,415.7	397.3	240.1	238.9	41.8	199.6	560.7	665.9	2,344.3	16,760.0
2,815.2	27.2	14,060.1	385.1	231.0	238.6	58.0	194.1	528.6	648.4	2,283.8	16,343.9
2,606.2	33.9	13,327.8	368.3	208.0	217.9	28.2	150.2	480.8	626.8	2,080.2	15,408.0
790.6	75.9	2,088.8	35.5	78.8	130.5	151.5	18.3	64.6	110.0	589.2	2,678.0
751.8	5.1	2,012.4	36.2	66.9	80.5	70.2	43.6	46.8	95.5	439.7	2,452.1
643.4	3.7	1,916.2	29.7	48.6	77.5	59.4	29.6	37.4	74.7	356.9	2,273.1
1,163.3	94.7	7,804.7	255.4	231.8	198.3	47.0	392.6	398.6	335.1	1,858.8	9,663.5
1,264.4	103.8	7,962.2	274.1	244.1	187.6	57.5	384.9	387.4	306.6	1,842.2	9,804.4
1,212.6	105.7	7,876.4	283.3	229.7	186.9	54.3	457.1	371.4	302.8	1,885.5	9,761.9
659.9	48.7	6,894.6	161.6	64.9	37.4	141.9	67.7	194.5	143.9	811.9	7,706.5
781.7	42.3	6,625.0	153.7	62.1	41.0	69.5	63.5	171.9	136.7	698.4	7,323.4
793.7	39.4	7,130.6	155.0	60.3	39.8	30.1	169.4	167.2	134.3	756.1	7,886.7
289.1	4.7	4,074.6	121.0	--	19.1	106.4	35.6	78.3	12.3	372.7	4,447.3
358.0	5.1	3,834.1	115.1	--	20.4	44.8	42.3	67.6	8.8	299.0	4,133.1
411.2	3.1	4,152.0	115.4	--	20.0	10.0	147.0	51.9	8.2	352.5	4,504.5
97.8	16.5	345.9	18.2	53.7	--	2.6	12.9	48.7	52.5	188.6	534.5
96.6	17.3	388.3	15.5	47.5	--	0.6	8.1	49.9	41.8	163.4	551.7
80.6	13.5	382.9	16.4	48.0	0.1	--	10.0	56.5	42.7	173.7	556.6
326.0	17.6	1,258.8	31.2	35.6	30.8	6.6	44.5	70.6	48.1	267.4	1,526.2
316.2	19.9	1,216.6	34.1	36.0	36.0	7.7	46.9	66.5	49.7	276.9	1,493.5
318.1	30.1	1,242.8	34.0	35.4	34.2	7.2	46.7	68.2	50.5	276.2	1,519.0
104.2	--	156.2	--	-	0.1	0.2	--	--	0.5	0.8	157.0
97.3	--	144.4	--	--	0.1	0.2	--	--	0.4	0.7	145.1
74.6	--	123.3	--	--	0.1	0.3	--	0.1	0.5	1.0	124.3
42.7	0.7	140.3	1.9	-	0.2	0.2	2.8	5.1	0.7	10.9	151.2
39.3	2.1	130.5	2.0	--	0.1	--	2.8	4.5	0.7	10.1	140.6
40.8	12.0	139.4	2.3	--	0.1	--	2.3	5.0	0.7	10.4	149.8

Continued--

Appendix table 4--Agricultural imports by country, European Community and Other Western Europe, 1981-83--Continued

Commodity and year		SITC Numbers		European Community						
		Major headings	Sub-headings	Belgium Luxembourg	France	West Germany	Italy	Nether-lands	Denmark	Ireland
				Million dollars						
Beverages	1981	11		496.6	565.3	1,095.7	261.0	394.9	118.0	59.7
	1982			437.3	548.9	991.3	250.9	379.2	116.3	53.6
	1983			423.1	499.6	933.0	238.0	347.1	113.6	49.1
Nonalcoholic	1981		111	68.9	30.3	66.9	5.6	68.5	2.8	4.7
	1982			55.7	36.6	61.9	5.6	63.8	2.9	5.9
	1983			55.9	47.2	51.9	5.9	51.9	2.8	5.0
Wine	1981		1121	287.1	289.4	693.3	74.0	235.0	86.5	23.9
	1982			264.5	275.5	651.4	52.4	235.9	86.7	19.5
	1983			253.9	218.8	618.3	41.9	218.1	86.3	17.4
Tobacco, unmanufactured	1981	121		108.0	71.1	489.1	92.2	252.0	33.4	26.9
	1982			124.7	64.8	548.1	131.7	290.9	39.1	32.8
	1983			126.9	76.8	567.8	163.7	315.5	33.8	19.4
Tobacco, manufactured	1981	122		73.6	447.2	108.6	273.9	199.3	6.8	19.8
	1982			90.9	465.1	143.0	304.8	199.5	5.7	20.1
	1983			98.4	430.0	148.2	304.6	199.7	6.0	22.2
Hides, skins, and furs, undressed	1981	21		81.1	262.5	452.8	842.2	67.9	300.7	7.3
	1982			80.3	240.4	391.3	934.5	89.1	281.4	3.2
	1983			83.8	205.4	357.4	824.4	99.9	233.7	1.5
Oilseeds, oil nuts, and oil kernels	1981	22		447.3	304.5	1,635.4	459.0	1,119.5	106.2	4.2
	1982			480.3	330.2	1,567.8	445.7	964.1	84.2	4.2
	1983			496.1	303.3	1,453.3	447.0	990.0	85.6	3.2
Soybeans	1981		2214	365.1	168.9	900.0	354.1	910.3	63.5	1.4
	1982			408.9	234.2	958.7	369.5	735.7	48.9	2.2
	1983			408.1	220.8	770.3	376.0	702.4	50.4	1.7
Natural rubber	1981	2311		36.8	225.3	220.9	162.7	25.2	4.8	9.7
	1982			27.4	157.4	165.9	135.1	18.2	4.8	7.1
	1983			36.2	178.5	190.4	128.9	19.6	4.8	7.5
Natural fibers	1981	261-		308.2	857.1	816.1	1,355.0	92.0	22.6	80.0
	1982	265		274.7	750.4	796.8	1,188.8	85.0	19.7	60.2
	1983			299.1	732.6	809.9	1,257.0	74.8	21.3	58.4
Raw cotton	1981		2631	50.7	288.7	283.8	391.2	22.4	4.1	36.6
	1982			55.3	266.2	324.6	336.3	23.0	4.2	28.4
	1983			58.5	269.4	351.6	443.4	16.3	4.4	30.0
Crude animal & veg. matls. not elsewhere spec.	1981	29		176.7	620.9	1,425.3	305.6	289.9	124.1	33.6
	1982			177.2	599.7	1,386.3	316.4	297.2	126.4	34.0
	1983			163.2	604.6	1,369.0	306.0	307.6	144.2	32.2
Agricultural fats and oils	1981	4		292.9	725.8	764.3	303.5	581.0	99.0	48.7
	1982			281.9	674.4	715.8	382.5	556.8	99.0	44.2
	1983			272.3	618.3	723.7	556.8	560.6	93.3	42.0
Animal & vegetable oils & fats, processed	1981		431	74.5	104.8	134.3	33.7	76.9	39.1	9.8
	1982			63.3	107.0	141.0	36.3	73.9	42.8	10.4
	1983			61.6	93.0	136.1	36.0	82.3	37.3	9.7
Total agricultural 1/	1981			7,551.8	13,339.6	22,611.3	12,934.7	10,414.2	2,306.2	1,484.1
	1982			7,402.5	12,950.2	21,690.1	13,525.4	10,072.7	2,085.0	1,295.8
	1983			6,799.8	12,614.7	21,023.1	13,107.6	9,896.1	2,053.8	1,255.7
Total imports	1981			61,416.6	120,278.6	162,691.2	88,996.2	66,108.9	17,520.8	10,594.5
	1982			57,213.4	115,453.7	154,049.1	83,834.1	62,583.2	16,834.2	9,696.2
	1983			53,653.5	105,271.8	152,010.8	78,322.5	61,585.5	16,179.0	9,169.0

-- = None or negligible. 1 Totals may not add because of rounding. Compiled from UN Trade Statistics, 1979-1983. SITC is the Standard International Trade Classification, revised.

Appendix table 4--Agricultural imports by country, European Community and Other Western Europe, 1981-83--Continued

United Kingdom	Greece	Total EC-10	Other Western Europe: Austria	Finland	Norway	Portugal	Spain	Sweden	Switzer-land	Total OWE	Total Western Europe
			Million dollars								
968.9	16.2	3,976.2	46.5	22.1	49.0	14.6	77.1	138.6	344.8	692.7	4,668.9
905.8	29.2	3,712.5	44.7	20.6	35.4	19.5	86.2	138.4	321.8	666.6	4,379.1
935.8	30.1	3,569.4	39.2	20.1	41.5	6.6	98.5	132.6	271.8	610.3	4,179.7
37.8	5.2	290.8	7.6	2.7	2.7	0.2	3.0	7.0	20.9	44.1	334.9
46.2	8.1	286.8	4.8	2.7	4.4	--	3.2	7.5	22.2	44.8	331.6
52.2	8.8	281.6	3.7	1.9	2.0	--	8.6	7.4	24.8	48.4	330.0
638.3	0.8	2,328.3	19.0	8.5	21.2	0.3	3.8	65.0	280.9	398.7	2,727.0
576.1	0.8	2,162.6	19.9	8.1	13.8	0.3	3.5	65.7	255.8	367.1	2,529.7
595.0	1.0	2,050.7	15.4	8.7	18.6	0.2	4.5	64.5	202.6	314.5	2,365.2
441.1	20.8	1,534.7	40.8	50.9	23.0	22.8	229.9	38.6	102.8	508.8	2,043.5
438.2	25.5	1,695.7	35.9	34.5	22.9	35.4	275.3	41.7	105.0	550.7	2,246.4
424.5	30.7	1,759.2	34.4	35.5	25.5	27.9	299.3	48.6	95.1	566.3	2,325.5
99.8	7.8	1,236.7	6.5	2.1	22.1	0.6	66.3	27.5	16.1	141.2	1,377.9
120.5	12.7	1,362.3	6.4	1.8	21.9	1.6	56.6	30.9	14.8	134.0	1,496.3
98.1	10.7	1,317.8	5.7	2.9	20.4	0.4	49.1	29.8	15.5	123.8	1,441.6
386.5	21.4	2,422.3	22.9	33.8	17.1	28.9	173.0	48.3	11.3	335.3	2,757.6
331.6	29.7	2,381.5	25.2	33.2	20.9	35.8	164.1	47.6	10.7	337.5	2,719.0
280.2	28.3	2,114.6	29.5	33.2	14.0	36.5	142.7	47.7	10.5	314.1	2,428.7
612.9	33.0	4,722.1	11.9	35.9	117.8	162.6	916.4	20.6	48.0	1,313.2	6,035.3
454.3	40.8	4,371.6	12.1	35.2	80.6	232.0	804.7	23.4	39.6	1,227.6	5,599.2
328.8	56.1	4,163.4	9.5	39.3	94.6	282.0	795.0	18.0	43.1	1,281.5	5,444.9
341.0	25.0	3,129.2	0.5	30.4	105.7	68.4	855.5	1.6	25.2	1,087.3	4,216.5
286.4	30.3	3,074.8	0.4	31.1	68.9	120.8	757.7	2.2	19.9	1,001.0	4,075.8
116.7	45.6	2,692.0	0.4	34.5	86.9	183.6	762.0	1.1	25.9	1,094.4	3,786.4
148.0	9.5	843.0	29.4	8.3	3.3	15.7	123.3	10.6	4.0	194.6	1,037.6
128.4	7.9	652.2	22.1	7.2	2.8	11.6	83.6	9.6	2.8	139.7	791.9
124.6	8.8	699.3	23.1	7.1	3.2	10.7	91.1	12.6	3.0	150.8	850.1
591.6	145.6	4,268.2	101.4	40.0	15.2	305.9	173.8	15.2	200.6	852.1	5,123.1
561.6	123.6	3,860.9	87.5	34.9	12.8	264.4	171.2	20.1	186.3	777.2	4,638.1
563.2	120.3	3,936.6	87.4	28.2	12.3	277.1	220.3	20.5	197.2	843.0	4,779.6
85.8	84.4	1,247.7	46.1	21.0	3.1	249.2	65.2	2.4	103.0	490.0	1,737.7
84.1	70.1	1,192.3	40.8	19.3	2.7	217.6	70.1	7.1	96.6	454.2	1,646.5
84.0	78.6	1,336.2	45.2	15.6	3.6	230.0	129.8	6.4	108.7	539.3	1,875.5
418.3	19.2	3,413.7	132.9	91.9	53.9	23.6	107.2	176.4	190.7	776.6	4,190.3
425.9	17.4	3,380.4	130.3	102.0	52.4	25.4	103.9	165.9	189.7	769.6	4,150.0
424.2	20.2	3,371.1	130.0	87.9	49.9	21.2	95.4	155.6	189.8	729.8	4,100.9
528.6	21.8	3,365.8	94.5	23.1	23.3	20.5	116.4	85.5	56.7	420.0	3,785.8
554.7	16.8	3,326.1	85.1	16.1	20.6	34.9	78.0	76.6	57.1	368.4	3,694.5
543.9	13.1	3,424.0	80.7	18.4	18.6	21.1	66.2	80.6	49.9	335.5	3,759.5
90.8	17.8	581.7	21.0	11.3	3.0	5.0	11.0	25.0	9.1	85.4	667.1
110.4	14.5	599.5	20.2	7.5	2.3	4.5	4.6	21.4	10.5	71.0	670.5
96.3	9.7	562.1	18.4	8.6	2.5	4.5	4.9	29.5	11.6	80.0	642.1
14,999.9	1,114.1	86,756.0	1,613.9	1,081.6	1,166.4	1,767.8	3,919.8	2,075.2	2,992.8	14,617.5	101,373.5
14,439.3	1,370.7	84,831.7	1,525.6	1,114.7	1,035.2	1,500.6	3,815.8	1,946.7	2,819.2	13,757.8	98,589.5
13,402.6	1,369.3	81,522.9	1,488.3	892.5	966.0	1,388.6	3,839.3	1,855.3	2,690.9	13,120.9	94,643.8
101,152.7	8,780.6	637,540.3	21,012.9	14,190.4	15,637.8	9,787.4	32,081.3	28,842.2	30,607.2	152,159.2	789,699.5
99,100.9	10,012.2	608,777.0	19,514.4	13,380.1	15,471.0	9,605.1	31,281.5	27,533.0	28,577.1	145,362.2	754,139.2
99,240.1	9,499.6	584,931.8	19,321.7	12,846.2	13,494.2	8,251.7	28,925.6	26,090.4	28,934.0	137,863.8	722,795.6

Appendix table 5--Agricultural exports by country, European Community and Other Western Europe, 1981-83

Commodity and year		SITC Numbers: Major headings	SITC Numbers: Sub-headings	European Community: Belgium Luxembourg	France	West Germany	Italy	Nether-lands	Denmark	Ireland
				Million dollars						
Live animals	1981	00		210.3	973.9	348.5	17.6	585.6	42.9	382.7
	1982			188.4	970.9	362.5	17.7	575.0	27.8	240.3
	1983			210.4	889.3	341.4	11.9	537.6	27.7	291.0
Meat and meat preparations	1981	01		994.8	1,539.1	1,255.9	256.0	2,693.6	2,296.6	785.8
	1982			875.7	1,433.7	1,233.6	258.5	2,486.4	2,186.1	744.9
	1983			845.0	1,304.5	1,186.8	252.7	2,332.5	1,996.6	688.8
Dairy products and eggs	1981	02		846.3	2,169.4	2,356.7	163.6	3,142.4	837.5	601.1
	1982			890.0	1,903.8	2,220.9	172.3	3,116.3	850.4	530.0
	1983			718.1	1,757.8	1,891.5	166.6	2,802.0	792.0	490.4
Cereals and cereal preparations	1981	04		1,123.7	4,770.2	855.2	915.6	746.0	244.0	53.3
	1982			1,088.2	3,911.4	799.5	942.8	536.5	295.9	61.6
	1983			858.1	4,329.2	795.9	682.4	484.5	311.7	51.3
Wheat and flour	1981		041, 046	203.1	2,735.9	299.7	361.3	225.2	32.9	4.7
	1982			180.0	2,075.5	289.5	366.6	124.1	36.9	10.0
	1983			73.5	2,249.5	259.5	199.4	122.3	22.8	3.6
Rice	1981		042	90.2	2.9	21.5	292.9	96.4	1.4	0.1
	1982			104.9	3.9	23.5	271.5	66.1	1.0	0.3
	1983			89.9	41.4	23.1	224.8	62.2	0.3	0.5
Feed grains	1981		043-045	528.6	1,522.1	184.1	45.1	157.4	65.1	15.4
	1982			511.3	1,365.5	128.4	52.2	71.4	103.7	20.5
	1983			411.4	1,573.8	131.2	34.4	42.2	127.0	18.4
Fruit and vegetables	1981	05		567.9	1,411.3	588.4	2,193.3	2,279.0	76.1	41.2
	1982			597.3	1,325.2	594.2	2,113.0	2,445.1	88.9	41.3
	1983			580.3	1,239.1	588.9	2,161.1	2,344.7	100.2	35.3
Sugar, sugar preparations, and honey	1981	06		475.5	1,442.8	785.5	309.2	407.5	184.8	52.4
	1982			354.4	1,004.7	561.7	155.0	363.1	139.4	60.2
	1983			274.1	916.3	471.9	51.3	348.8	141.5	57.5
Coffee, tea, cocoa, spices, etc.	1981	07		306.9	288.7	695.9	136.7	807.3	62.4	73.0
	1982			278.8	293.2	719.2	139.6	808.4	51.1	83.9
	1983			310.0	273.6	775.8	124.2	827.8	44.2	93.1
Animal feed	1981	08		397.7	591.2	930.9	131.2	892.3	207.4	56.4
	1982			462.1	578.0	941.3	138.5	770.4	167.6	49.0
	1983			492.5	563.0	802.7	123.9	936.5	175.9	49.5
Oilseed cake and meal	1981		0813	224.5	49.1	358.1	8.0	515.3	3.7	2.3
	1982			255.9	36.0	371.5	26.1	398.9	2.5	1.2
	1983			292.8	27.2	347.3	33.4	528.9	2.9	0.8
Meatmeal and fishmeal	1981		0814	23.4	35.1	56.6	21.8	11.9	147.3	5.1
	1982			23.8	34.9	79.4	22.5	13.6	113.9	5.2
	1983			34.0	39.4	91.7	32.8	14.2	130.4	5.5
Miscellaneous food preparations	1981	09		287.6	238.4	378.1	83.3	552.3	141.9	249.2
	1982			221.2	254.4	354.8	88.8	547.1	134.3	267.1
	1983			217.9	244.0	341.7	91.9	533.0	135.3	311.2

See footnotes at end of table.

Appendix table 5—Agricultural exports by country, European Community and Other Western Europe, 1981-83--Continued

United Kingdom	Greece	Total EC-10	Other Western Europe: Austria	Finland	Norway	Portugal	Spain	Sweden	Switzer-land	Total OWE	Total Western Europe
			Million dollars								
354.0	3.4	2,919.1	93.5	2.0	0.2	0.5	14.6	3.6	16.6	131.0	3,050.1
312.7	2.5	2,697.9	88.6	2.7	1.7	0.5	14.6	3.9	17.2	129.2	2,827.1
283.5	1.1	2,593.7	70.6	2.4	0.5	0.4	11.4	5.5	10.3	101.1	2,694.8
663.2	2.4	10,487.5	76.1	108.4	10.1	6.8	52.5	104.2	8.3	366.4	10,853.9
606.8	1.8	9,827.4	85.7	96.9	26.4	4.1	38.5	162.4	8.4	422.4	10,249.8
750.8	0.7	9,358.3	88.0	89.0	19.6	8.3	38.0	143.9	8.5	395.3	9,753.6
619.4	6.5	10,742.9	172.0	174.8	61.7	11.2	46.7	47.7	284.2	798.3	11,541.2
568.9	9.6	10,262.2	164.4	147.3	59.2	7.3	42.2	65.2	271.5	757.1	11,019.3
463.1	13.7	9,095.2	145.4	185.3	66.2	6.1	20.1	70.7	263.0	756.8	9,852.0
1,406.9	135.9	10,250.9	96.9	38.2	14.3	8.3	373.1	197.8	33.3	761.9	11,012.8
1,351.5	171.5	9,158.8	120.5	24.7	12.5	4.9	76.0	188.1	30.5	457.2	9,616.0
1,114.7	215.9	8,843.8	150.8	37.0	9.9	5.0	81.6	180.1	29.9	494.3	9,338.1
361.6	97.9	4,322.4	42.3	4.2	--	0.1	228.1	70.8	0.1	345.6	4,668.0
508.0	145.0	3,735.6	47.6	0.1	--	--	37.6	72.4	0.1	157.8	3,893.4
290.0	196.6	3,417.2	91.8	7.2	0.2	--	54.2	80.9	0.1	234.4	3,651.6
1.1	1.4	507.8	--	0.1	0.1	1.2	34.5	0.1	--	36.0	543.8
1.7	1.0	473.9	--	0.1	0.1	0.6	24.2	0.2	--	25.2	499.1
1.6	0.7	444.6	--	0.1	0.1	0.4	10.2	0.1	--	10.9	455.5
619.9	18.6	3,156.2	17.5	2.6	2.3	--	94.7	77.7	0.1	194.9	3,351.1
442.5	9.7	2,705.4	30.2	--	1.9	--	3.9	66.2	--	102.2	2,807.6
437.9	1.7	2,778.0	19.8	10.1	--	0.1	6.4	52.2	0.4	89.0	2,867.0
309.9	634.5	8,101.6	61.5	22.3	7.9	93.9	1,818.9	48.3	40.0	2,092.8	10,194.4
272.3	702.3	8,179.5	68.3	12.2	5.4	82.5	1,806.1	44.6	49.1	2,068.2	10,247.7
249.5	640.1	7,939.3	56.9	12.1	5.6	102.4	1,620.0	44.5	40.6	1,882.1	9,821.4
234.6	7.[illegible]	3,900.1	39.8	56.9	1.7	1.7	39.0	41.6	29.4	210.1	4,110.2
211.4	6.8	2,856.7	32.3	37.7	2.1	1.4	36.9	34.4	27.8	172.6	3,029.3
219.3	12.1	2,492.6	34.5	32.1	2.7	10.4	35.3	29.7	26.8	171.5	2,664.1
494.4	8.2	2,873.6	30.3	45.2	8.6	1.4	100.4	54.3	142.9	383.1	3,256.7
440.4	7.8	2,822.5	33.2	38.8	9.1	1.1	90.0	48.9	145.8	366.9	3,189.4
440.8	8.4	2,897.8	38.9	33.4	9.4	1.3	83.0	56.4	151.6	374.0	3,271.8
122.8	51.1	3,381.0	6.7	14.4	188.9	2.4	101.2	9.1	16.1	338.8	3,719.8
120.5	25.5	3,252.9	10.9	1.4	137.9	10.8	147.3	10.7	19.0	338.0	3,590.9
119.1	50.2	3,313.4	15.2	10.8	173.3	29.4	209.0	12.2	23.3	473.2	3,786.6
8.4	9.5	1,178.8	0.1	--	39.5	0.1	47.4	1.8	0.1	89.0	1,267.8
3.6	2.9	1,098.6	0.1	--	33.2	8.0	81.0	1.7	--	124.0	1,222.6
6.7	15.5	1,255.3	--	--	39.0	26.0	130.7	3.4	0.2	199.3	1,454.6
2.8	--	304.1	1.3	0.1	134.5	0.8	3.5	0.3	0.5	141.0	445.1
1.7	--	295.1	1.6	--	94.8	1.6	2.2	0.4	0.5	101.1	396.2
2.2	--	350.1	3.0	--	123.5	1.1	1.5	0.5	0.7	130.3	480.4
206.8	11.6	2,149.1	14.9	40.3	16.6	5.3	49.0	28.8	168.8	323.7	2,472.8
212.5	5.1	2,085.2	11.3	24.2	15.9	3.9	51.5	32.0	174.6	313.4	2,398.6
209.9	6.0	2,090.9	15.6	18.7	14.9	3.7	46.8	29.5	172.8	302.0	2,392.9

Continued--

Appendix table 5--Agricultural exports by country, European Community and Other Western Europe, 1981-83--Continued

Commodity and year		SITC Numbers: Major headings	SITC Numbers: Sub-headings	European Community: Belgium Luxembourg	France	West Germany	Italy	Nether-lands	Denmark	Ireland
				Million dollars						
Beverages	1981	11		183.3	2,756.1	614.5	1,008.8	459.8	115.2	165.8
	1982			167.7	2,509.6	643.9	1,051.4	480.2	116.7	197.7
	1983			179.6	2,523.4	646.8	869.7	470.4	116.1	187.4
Nonalcoholic	1981		111	70.9	113.6	63.7	22.9	132.4	16.2	8.7
	1982			64.3	105.4	60.5	17.1	126.0	13.3	11.7
	1983			74.2	115.0	57.9	12.9	116.0	14.2	15.0
Wine	1981		1121	26.7	1,647.1	344.9	899.3	5.8	3.9	0.7
	1982			27.6	1,541.6	353.5	946.1	8.3	3.7	0.7
	1983			31.1	1,552.2	342.6	784.7	9.9	3.2	0.3
Tobacco, unmanufactured	1981	121		10.4	10.1	14.1	91.4	67.4	1.7	0.3
	1982			13.0	14.9	19.6	119.2	69.3	2.1	1.3
	1983			16.9	19.5	24.0	96.6	69.2	2.4	0.3
Tobacco, manufactured	1981	122		194.5	77.5	367.0	4.1	541.7	40.6	36.4
	1982			226.6	76.9	390.0	3.6	584.7	39.5	41.2
	1983			205.4	70.8	439.4	5.1	577.4	42.2	38.7
Hides, skins, and furs, undressed	1981	21		66.6	292.8	165.2	28.1	155.0	461.1	38.3
	1982			60.7	254.7	159.5	27.1	181.9	435.4	41.1
	1983			65.9	270.4	159.9	35.2	194.0	411.7	40.7
Oilseeds, oil nuts, and oil kernels	1981	22		14.7	296.8	38.5	1.9	92.3	122.0	0.6
	1982			16.2	351.2	38.2	1.9	82.4	120.0	0.6
	1983			14.8	655.0	46.3	1.1	64.5	115.8	2.6
Natural rubber	1981	2311		0.7	7.2	3.3	2.0	3.1	0.1	--
	1982			0.9	3.9	3.3	3.0	2.7	--	--
	1983			1.1	4.1	3.9	2.5	3.6	--	0.1
Natural fibers	1981	261-265		204.8	552.3	182.5	48.0	49.9	1.4	16.3
	1982			192.9	486.3	164.5	40.4	46.4	1.5	14.5
	1983			200.0	476.4	171.8	46.4	49.6	1.2	16.7
Crude animal veg. matls. not elsewhere spec.	1981	29		161.3	314.2	375.8	524.9	1,540.0	281.8	34.1
	1982			147.7	277.0	339.0	216.6	1,554.2	295.1	37.0
	1983			143.6	280.0	336.9	227.5	1,590.5	278.5	34.0
Agricultural fats and oils	1981	4		254.1	341.3	779.3	180.6	644.0	115.2	11.2
	1982			253.4	315.4	705.7	155.7	576.9	99.4	10.7
	1983			263.6	313.3	675.8	176.2	668.5	107.4	11.0
Animal and vegetable oils and fats, processed	1981		431	31.8	41.1	275.3	31.4	203.3	43.3	1.1
	1982			30.7	38.9	246.1	21.2	202.2	41.9	1.0
	1983			31.7	35.3	230.3	26.8	207.9	43.3	0.9
Total agricultural 1/	1981			6,301.2	18,073.3	10,735.2	6,096.2	15,659.2	5,232.6	2,598.3
	1982			6,035.1	15,965.4	10,251.4	5,645.0	15,227.1	5,051.4	2,422.6
	1983			5,597.5	16,129.7	9,701.5	5,126.3	14,834.8	4,800.5	2,399.6
Total exports	1981			55,227.7	101,246.3	175,284.3	75,246.3	68,758.0	15,696.8	7,784.4
	1982			51,694.6	92,358.1	175,455.9	73,437.6	66,404.0	14,952.8	8,060.0
	1983			51,675.6	91,144.4	168,748.0	72,669.8	65,676.2	15,600.6	8,608.5

-- = None or negligible. 1/ Totals may not add because of rounding. Compiled from UN Trade Statistics, 1979-1983. SITC is the Standard International Trade Classification, revised.

Appendix table 5--Agricultural exports by country, European Community and Other Western Europe, 1981-83--Continued

United Kingdom	Greece	Total EC-10	Other Western Europe							Total OWE	Total Western Europe
			Austria	Finland	Norway	Portugal	Spain	Sweden	Switzer-land		
						Million dollars					
1,918.6	36.7	7,258.7	83.8	25.7	5.0	210.6	393.8	5.8	24.5	749.2	8,007.9
1,851.4	35.1	7,053.7	93.5	21.6	3.6	198.0	376.4	7.0	28.1	728.2	7,781.9
1,590.5	41.3	6,625.3	66.3	12.9	4.4	181.3	339.4	10.3	33.8	648.4	7,273.7
40.7	2.9	472.1	18.7	0.9	0.5	0.9	3.5	3.0	15.0	42.5	514.6
41.2	1.5	441.0	30.7	0.6	0.6	0.8	3.4	3.2	19.9	59.2	500.2
24.3	4.2	433.6	22.1	0.8	0.7	0.9	3.9	3.3	25.0	56.7	490.3
52.0	17.7	2,998.1	49.7	--	--	205.5	332.3	--	2.8	590.3	3,588.4
51.0	18.4	2,950.9	45.1	--	--	192.9	326.3	--	2.8	567.1	3,518.0
50.3	18.4	2,792.9	28.3	--	--	176.2	303.4	--	3.2	511.1	3,304.0
12.4	176.2	384.1	1.3	--	0.1	0.3	3.6	0.5	15.7	21.5	405.6
14.7	191.7	446.0	0.8	--	0.1	--	4.9	0.4	20.0	26.2	472.2
12.2	192.5	433.6	0.4	--	0.1	0.2	3.7	0.6	24.8	29.8	463.4
713.5	0.2	1,975.5	2.3	57.9	4.1	1.8	11.5	16.9	100.5	195.0	2,170.5
668.9	1.0	2,032.5	2.3	13.2	6.3	1.7	13.2	17.4	92.8	146.9	2,179.4
646.0	3.1	2,028.0	1.8	8.9	7.9	1.3	9.5	17.2	92.9	139.5	2,167.5
350.5	37.5	1,595.0	12.1	285.8	76.0	7.4	22.2	79.8	36.0	519.3	2,114.3
315.2	35.4	1,511.0	14.2	231.8	72.1	6.9	10.5	72.3	36.1	443.9	1,954.9
302.9	28.2	1,508.9	14.6	192.5	69.3	5.5	12.9	71.0	33.0	398.8	1,907.7
9.1	1.6	577.3	4.4	--	0.1	--	2.2	24.6	1.8	33.1	610.4
13.9	0.8	625.2	3.3	--	0.5	--	3.2	23.9	1.7	32.6	657.8
57.3	0.9	958.3	3.8	--	0.1	0.1	5.2	34.2	1.8	45.2	1,003.5
2.4	0.2	18.9	0.4	--	--	--	0.2	0.5	--	1.1	20.0
3.3	--	17.3	0.5	--	--	--	0.1	0.4	--	1.0	18.3
4.5	--	19.7	0.3	--	--	--	0.1	0.5	--	0.9	20.6
317.3	27.4	1,400.0	5.5	0.4	4.5	6.0	44.7	2.1	30.1	93.3	1,493.3
288.1	36.0	1,270.7	5.0	0.2	4.0	5.9	40.2	1.9	26.3	83.5	1,354.2
290.9	49.9	1,303.0	8.8	0.3	5.1	5.6	32.7	1.5	29.5	83.5	1,386.5
94.6	10.9	3,337.6	22.6	4.5	19.5	17.3	81.5	33.9	29.5	208.8	3,546.4
100.1	11.5	2,978.3	17.6	5.0	15.8	16.5	82.5	32.8	31.6	201.8	3,180.1
98.2	10.5	2,999.8	19.2	5.5	17.4	15.2	81.5	31.4	29.8	200.0	3,199.8
131.3	32.9	2,489.8	11.1	11.9	103.0	37.8	329.9	62.5	16.7	572.9	3,062.7
81.2	82.5	2,281.0	14.2	13.5	86.3	59.5	284.2	63.7	16.2	537.6	2,818.6
89.4	252.4	2,557.6	13.9	20.5	84.1	78.3	317.6	69.9	14.8	599.1	3,156.7
72.7	1.4	701.4	1.6	6.9	42.6	5.2	4.1	25.0	6.3	91.7	793.1
43.3	1.5	626.6	1.7	9.2	36.2	1.3	7.8	21.4	7.3	84.9	711.5
39.5	2.3	618.1	2.1	10.2	31.1	1.9	5.5	29.5	5.1	85.4	703.5
7,961.7	1,185.0	73,842.7	735.0	888.8	522.5	412.8	3,485.2	762.1	994.5	7,800.9	81,643.6
7,433.9	1,327.0	69,358.8	766.6	671.3	459.0	405.1	3,118.1	810.1	996.5	7,226.7	76,585.5
6,942.4	1,527.0	67,059.3	744.9	661.3	490.8	454.5	2,947.7	809.0	987.0	7,095.2	74,154.5
102,136.2	4,249.5	605,629.5	15,840.0	14,006.6	17,967.6	4,147.1	20,336.5	28,492.5	26,716.6	127,506.8	733,136.3
96,577.1	4,296.7	583,236.8	15,689.9	13,127.1	17,583.2	4,170.9	20,271.4	26,739.6	25,617.7	123,199.8	706,436.6
91,418.9	4,412.2	569,954.2	15,422.9	12,510.3	17,972.4	4,572.6	19,711.1	27,376.7	25,307.5	122,873.5	692,827.7

Appendix table 6--EC support prices in European Currency Units 1/

Commodity	1982/83		1983/84		1984/85		1985/86
	Price	Percent change	Price	Percent change	Price	Percent change	Proposed change 2/
	ECU/MT	Percent	ECU/MT	Percent	ECU/MT	Percent	Percent
Common soft wheat	179.27	8.5	184.58	3.0	182.73	-1.0	-3.6
Bread wheat	209.10	8.5	215.29	3.0	213.14	-1.0	-3.6
Durum wheat	298.36	8.5	312.08	4.6	312.14	0	0
Barley	179.27	8.5	184.58	3.0	182.73	-1.0	-3.6
Corn	179.27	8.5	184.58	3.0	182.73	-1.0	-3.6
Rice	290.55	12.0	306.53	5.5	314.19	2.5	-3.6
Sugar beets	39.32	9.5	40.89	4.0	40.89	0	1.3
White sugar	514.10	9.5	534.70	4.0	534.70	0	1.3
Olive oil	2,179.30	11.0	2,299.2	5.5	2,276.2	-1.0	2.0
Rapeseed	421.30	8.5	438.0	4.0	429.2	-1.0	-3.6
Sunflowerseed	497.30	14.0	527.1	6.0	532.7	-1.0	-1.0
Soybeans	464.10	11.5	494.3	6.5	501.7	1.5	--
Dried fodder	168.81	14.0	178.94	6.0	177.15	-1.0	--
Cotton	815.90	13.0	881.2	8.0	894.4	1.5	--
Wine (Type RI)	3.27	11.0	3.45	5.5	3.42	-1.0	0
Milk target price	268.10	10.5	274.3	2.3	274.3	-1.0	2.5
Butter	3,497.00	10.0	3,578.6	2.3	3,197.0	-10.76	-4.0
Skimmed milk powder	1,462.30	10.4	1,496.4	2.3	1,658.8	10.9	6.8
Cheese	4,295.10	11.8	4,395.2	2.3	4,727.5	5.8	1.8
Beef & veal	1,726.80	8.5	1,863.80	5.5	1,845.2	-1.0	0
Pork	1,946.80	10.5	2,053.87	5.5	2,033.3	-1.0	0
Sheep meat	4,098.20	10.5	4,323.60	5.5	4,280.4	-1.0	0
Exchange rate 3/ US$/ECU	1.00		.93		.85		--

-- = Not available.
1/ Generally intervention prices or target prices tied to intervention purchasing mechanisms. When measured in the national currencies in which farmers are actually paid, the percent changes in prices vary widely among countries because of the effects of changes in MCA's and rates of currency exchange.
2/ Percentage change proposed by EC Commission in annual proposal. 1985/86 prices finally agreed upon may differ from proposals.
3/ Exchange rate in April, at beginning of EC marketing year for most commodities.

DEFINITIONS

Measures--The metric system is used in this report, unless otherwise indicated. The following are conversions to the U.S. system of weights and measures: 1 hectare, 2.471 acres; 1 metric ton, 2204.6 pounds; 1 kilogram, 2.2046 pounds; 1 liter, 1.0567 quarts; and 1 hectoliter, 26.418 gallons.

ACP's--African, Caribbean, and Pacific States participating in the Lome Convention that regulates economic relations between these countries and the European Community.

EC-10--European Community, also referred to as the Community. An economic and customs union of six original members--Belgium, Luxembourg, France, Italy, West Germany, and the Netherlands, as well as Denmark, Ireland, and the United Kingdom (U.K.), which joined January 1, 1973, and Greece, which became the tenth member on January 1, 1981.

CAP--Common Agricultural Policy of the European Community.

GATT--General Agreement on Tariffs and Trade.

Unit of Account (u.a.)--Prior to April 9, 1979, the standard value used by the EC for transactions within the CAP. In mid-March 1979, the agricultural unit of account was equal to about $1.60. A different unit, called the European unit of account (EUA), was introduced in 1975. Its value in relation to the dollar is announced daily, and it is generally worth more than the agricultural unit of account.

European Monetary System (EMS)--A common monetary arrangement for the Community, implemented in March 1979. It includes credit mechanisms and compulsory intervention to ensure greater stability of European exchange rates.

European Currency Unit (ECU)--The core of the EMS, the ECU serves as the monetary denominator for the exchange rate, credit, and intervention mechanisms of the EMS. On April 9, 1979, the ECU became the standard value for transactions within the CAP including the determination of support prices, import levies, and export subsidies. The value of the ECU is calculated from a weighted basket of all EC-10 member currencies, identical to the basket used for the EUA and equal to an average of $0.75 during 1984.

Green rate of exchange--The exchange rate used to convert ECU's into national currencies (and vice versa) in all financial and commercial transactions covered by the CAP.

Green currency (e.g., green pound, green lira)--Indicates the use of green rates of exchange for CAP purposes.

Monetary Compensatory Amounts (MCA's)--Border taxes or subsidies that offset the divergence between the green rate of exchange and the actual market rate of exchange. For those countries in which currencies have depreciated, MCA's (negative MCA's) act as subsidies on imports and taxes on exports. For those countries in which currencies have appreciated, MCA's (positive MCA's) act as taxes on imports and subsidies on exports.

LIST OF TABLES

APPENDIX TABLES

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

Moving? To change your address send this sheet with label intact, showing new address, to EMS Information, Rm.400-GHI, USDA, Washington, D.C. 20250.

U.S.MAIL

Postage and Fees Paid
United States
Department of Agriculture
AGR-101

FIRST CLASS

Studies Published by the Economic Research Service, USDA, Relating to Agriculture in Western Europe

Gallagher, William, Selected Agricultural Statistics on Portugal, 1965-77. SB-664. U.S. Dept. Agr., Econ. Stat. Serv., 1981.

Hiemstra, Stephen W. Selected Agricultural Statistics on Spain, 1965-76. SB-630. U.S. Dept. Agr., Econ. Stat. Coop. Serv., 1980.

Lambert, Miles J. Selected Agricultural Statistics on Greece, 1965-77. SB-675. U.S. Dept. Agr., Econ. Res. Serv., 1982.

Herlihy, M., and others, EC Grains, Oilseeds and Livestock: Selected Statistics, 1960-80. SB-703. U.S. Dept. Agr., Econ. Res. Serv., 1983.

The above statistical bulletins are available free of charge until stock is exhausted. Write Information Division, EMS, U.S. Dept. of Agriculture, Rm. 0054 South Building, 14th & Independence Ave., S.W., Wash., D.C. 20250.

Josling, Timothy E. and Scott R. Pearson, Developments in the Common Agricultural Policy of the European Community. FAER-172. U.S. Dept. Agr., Econ. Res. Serv., 1982. Report $5.50 (GPO stock no. 001-000-04271-8). Microfiche $4.00 (NTIS stock no. PB82-208-588).

McNitt, Harold A., Selected Agricultural Trade Statistics: The EC-9, Greece, Spain, and Portugal, 1967-79. SB-692. U.S. Dept. Agr., Econ. Res. Serv., 1982. Report $12.00, Microfiche $4.00 (NTIS stock no. PB83-101998)

Kelch, David R., Structural and Commodity Policies of Spanish Agriculture. FAER 174. U.S. Dept. Agr., Econ. Res. Serv., 1982. Reproduced report $10.50, Microfiche $4.00 (NTIS stock no. PB83-100057).

Cohen, Marshall H., Sweden's Agricultural Policy. FAER-175. U.S. Dept. Agr., Econ. Res. Serv., 1982. Report $4.00 (GPO stock no. 001-000-04300-5). Microfiche $4.00 (NTIS stock no. PB83-101535).

McNitt, Harold A., The EC Market for U.S. Agricultural Exports, A Share Analysis. FAER-179. U.S. Dept. Agr., Econ. Res. Serv., 1983. Report $5.00 (GPO stock no. 001-000-04326-9). Microfiche $4.50 (NTIS stock no. PB83-194563).

Peterson, Wesley E., and others, Spain's Entry Into the European Community. FAER-180. U.S. Dept. Agr., Econ. Res. Serv., 1983. Report $13.00, Microfiche $4.50 (NTIS stock no. PB82-208-588).

Elleson, Ruth, Performance and Structure of Agriculture in Western Europe. FAER-184. U.S. Dept. Agr., Econ. Res. Serv., 1984. Report $13.00, Microfiche $4.50 (NTIS stock no. PB83-250621).

Moulton, Kirby S., The European Community's Horticultural Trade: Implications of EC Enlargement. FAER-191. U.S. Dept. Agr., Econ. Res. Serv., 1984. Report $13.00, Microfiche $4.50 (NTIS stock no. PB84-126523).

Saris, Alexander H., World Trade in Fruits and Vegetables Projections for an Enlarged Community. FAER-202. U.S. Dept. Agr., Econ. Res. Serv., 1984. Report $13.00, Microfiche $4.50 (NTIS stock no. PB84-230606).

Elleson, Ruth, Energy's Role in Western Europe's Agriculture. FAER-207. U.S. Dept. Agr., Econ. Res. Serv., 1984. Report $13.00, Microfiche $4.50 (NTIS stock no. PB85-134336).

McNitt, Harold A., The British Market for U.S. Food Exports. FAER-210. U.S. Dept. Agr., Econ. Res. Serv., 1984. Report $13.00, Microfiche $4.50 (NTIS stock no. PB85-166031).

Copies of reports are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 or from the National Technical Information Service, (NTIS) 5285 Port Royal Rd., Springfield, VA. 22161. Microfiche copies are available from NTIS. Specify title and stock number.